The Transport Industry at War (pp. 15-23)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

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The Nation's Business

Are We Really Ready For the Coming Peace?

Beginning of the great invasion this week brings the conclusion of the war definitely in sight. Many conservative British and American observers are now predicting the end of German resistance before the snow flies. With that end, whether it is this fall or next spring, will come the testing time for reconstruction.

Are we ready?

In the last six months we have heard much of planning but little of the concrete steps which must be taken within a few weeks of the end of hostilities if we are to achieve the real peace we have fought almost five years to win. It will be too late, when the fighting stops, to draw up detailed blueprints. We must have ready for immediate action definite plans for dealing with the major problems of reconverting our economy to a peacetime basis.

We cannot just trust to luck, or adopt any policy of "wait and see." Hundreds of thousands of war workers will have to be switched to other jobs. Employment will have to be found for close to half a million servicemen.

A postwar survey conducted by the MacLean Publishing Company indicates that most Canadian manufacturing industry has definite plans to increase employment after the war, but before most of these can be put into operation, the Dominion Government must make known its policies in respect to such overriding factors as trade, taxation, agriculture, immigration settlement and social legislation. Before some of those policies can be worked out there will have to be agreement on division of authority between provincial and Dominion governments.

So far private industry remains largely in the dark as to the government's intention in these important matters, though it is expected to bear the brunt of providing employment, of producing the goods needed to supply the domestic market and for trading with our overseas customers.

This situation does not augur well for a speedy and successful reconversion. It is time that the government made up its mind as to general principles of policy and stated these for the guidance of Canadian industry. If this is not done and done soon then we will be entering the peace as unprepared as we entered the war.

* * *

THOSE INNER BANK RESERVES

Finance Minister Ilsley's refusal to divulge the "inner reserves" of the Canadian chartered banks was perfectly proper and commendable. As reported in an article on this page, the "inner reserves" of the banking system serve a vital purpose which is of great benefit to the public generally. They stabilize the published figures of the banks and enable sudden economic blasts to be met without untoward disturbance of public confidence. Revealing changes in these reserves would almost completely destroy their usefulness. As Mr. Ilsley said, they are "nothing more or less than the reserve for bad and doubtful debts which the banking business requires; that no prudent banker would carry on without them."

Complete confidence in the security of the chartered banks is basic to the country. Significant changes or rumored changes in the position of a chartered bank could very readily result in a psychological stampede, a "run" on a bank not justified by the actual facts. "Inner reserves" proved of enormous value during the worst depression year in meeting serious bank losses. At that time of despair, distrust and fear, nothing would have been more serious for the community as a whole than any whisper of doubt about the position of the banks.

Whether or not appropriations made for such reserves should be taxable is also under discussion. The ordinary commercial concern is not allowed to deduct from taxable income its appropriation for bad debt reserves. On the other hand it is allowed its actual bad debt losses. In the long run these figures average out and the net effect on government revenues is about the same. In the case of the banks it should be noted that the large proportion of these reserves was created over the past 50 to 75 years when corporation taxes were nonexistent or negligible. It should also be noted that if any money is brought back from inner reserves into profit it immediately becomes taxable.

As revealed at Ottawa, increases in these special reserves over the past 15 years when taxation has been an increasingly important business factor have been very modest relative to the amount of business done and relative to the increase in business. Total increase in special reserves has been $10.3 millions or half of one per cent the increase in total assets.

The first check on the propriety of appropriations to these reserves is made by the officials and directors of the banks. As further there is the professional honor of bank auditors charged with passing on the amount of reserves. They have very definite responsibilities to prevent undue accumulations. Then comes the further check of the Inspector General who reports to the Department of Finance, which, according to Mr. Ilsley, has a "moral responsibility" to see that such reserves are appropriate and which, he says, will be given legal responsibility to do so.

The facts point directly to these conclusions:

Special reserves are desirable and publicity as to their size would defeat their main purpose and value.

Banks are not enjoying special privilege and evading taxes so long as their special reserves do not exceed the total essential to the security of the banks and the business health of the whole nation.

Any government action which would penalize banks for policies which make them and their depositors' money secure, for making completely adequate provision for probable losses, would be folly indeed.

* * *

STIFLING AVIATION DEVELOPMENT

Recently, in the annual report of the Toronto Transportation Commission, reference was made to the expectation of setting up, after the war, a helicopter service to be operated in conjunction with its provincial bus service.

But if the postwar aviation program for Canada, as outlined in the Commons last March, by Mr. Howe, is to be taken as a correct outline of the government's intentions, there is no clear "go ahead" signal for the T.T.C. or any other company which now operates "surface transportation" to participate in air development either directly or through a subsidiary company.

Under the Howe blueprint for postwar aviation such collaboration is clearly contrary to government policy and may exist only on the sufferance of the government. In his recent pronunciamento Mr. Howe said:

"Steps will be taken to require our railways to divest themselves of ownership of air lines, to the end that, within a period of one year from the ending of the European war, **transport by air will be entirely separate from surface transportation.**

"In the meantime, no new air routes other than government operated routes will be allocated to airlines owned by any railway or other operator of surface transportation. The term 'surface transportation' includes railways, shipping companies and highway transport companies."

Apart from the fact that this is a complete reversal of the stand taken by Mr. Howe in 1937, when he was piloting the TCA into opperation, and when he argued vigorously for the merit and benefit of having these two forms of transport linked, the policy is clearly a narrow, restrictive and indefensible one, in the light of public need and the efficient development of economical and reliable air transport in Canada after the war. The individual enterprise system can function when officialdom says "you may." It can't when government says "maybe."

Newspapers Meet D-Day Efficiently

Invasion Means Advance in Date of Official War Production Requirements Review

D-day found Canada's Parliament with a very sour conscience—a quick and guilty realization that the people of Canada would increasingly, to quote Mr. King, be "impatient of utterances which are not much to the point."

Review Coming Soon

So far as Canada's vast production program is concerned D-day will make no immediate difference except perhaps to speed the output and effort in Canadian war plants. However, it can be stated authoritatively, that the customary review of the entire production program which would normally take place in the fall, will now be advanced to a not-very-far-distant point, this summer. By that time it is expected that important lessons will have been learned and it will be not only possible but necessary to make a complete review of the present Canadian program.

Long expected but still a complete surprise, D-day galvanized Canada's news business but left most other businesses functioning "as usual."

Among the best prepared for the invasion was the Canadian Press, whose assistant general manager, Gillis Purcell, is reported to have held a full-dress rehearsal several weeks ago, rushing reporters and newscasters all across Canada to their posts. When they got there, they were told it was "just a practice," but as a result of the detailed planning, Purcell was able

(Continued on page 2, col. 3)

Rains Improve Crop Outlook

From Our Own Correspondent

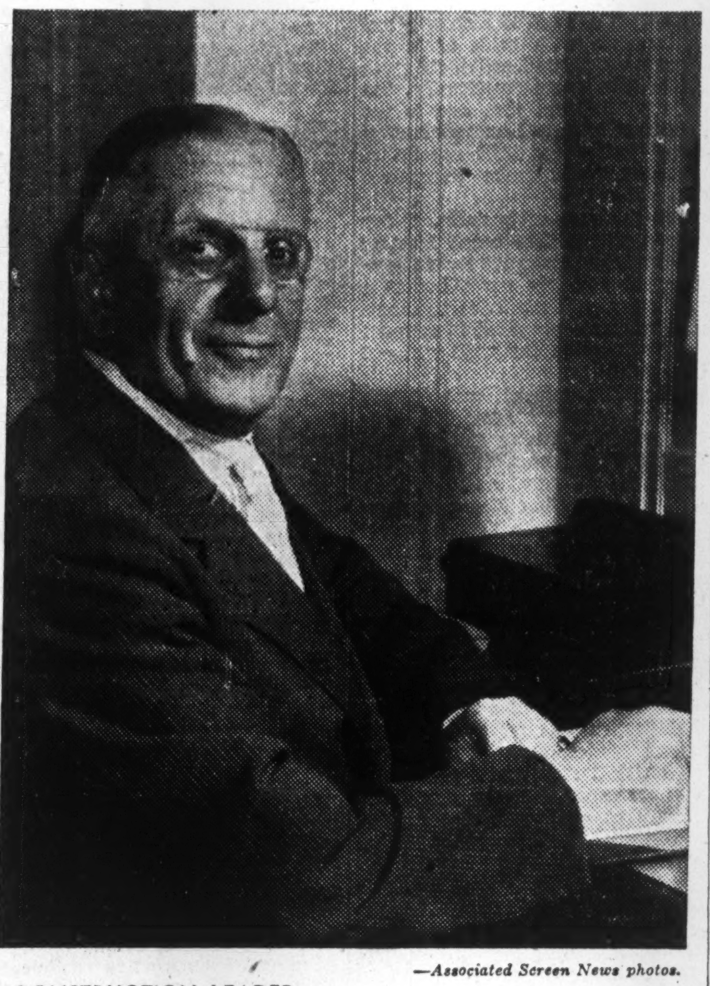
WINNIPEG.—Heavy rains during the past week, added to moisture previously received, have put the whole crop area of western Canada into satisfactory condition.

Up until two weeks ago there was a good deal of apprehension for the crop, for the spring had been dry over large areas, and there was worry over lack of subsoil moisture. It was almost the official attitude of the West that a short crop was to be expected this year. There has been a complete change of sentiment in that regard.

No one would be rash enough to predict a heavy crop on the basis of conditions in early June, but there is almost universal hope of such an outcome, and at least it can be said that at the present there is nothing to prevent crop yields being as good as in the best of years.

For a time it was feared that hot weather, which accompanied the first general precipitation, might force top growth along too rapidly, at the expense of root development. Cool weather, which came with the latest rains, is regarded as having ensured a firmly rooted crop.

One indication of the confidence of farmers in the crop outlook is that hail insurance is being taken out on a larger scale than for years past.



—Associated Screen News photos.

CONSTRUCTION LEADER

New president of the National Construction Council is John Gooch, Toronto, who brings to the leadership of this important organization in the construction field, during a time when construction activities are matters of increasing national importance, an experience of 34 years in the business. Mr. Gooch was born and educated in England, coming to Canada in 1910 after two years of experience in construction work in his native country. He has been in the industry in Canada steadily since then, is now president and general manager of Canadian Metal Window and Steel Products, Ltd., Toronto, a company which he was instrumental in organizing in 1919.

Sales Policy Reduced "Distillers" Net Rate

Company Following Policy of Self-imposed Rationing in U. S. — High Cost Whisky Going First

From Our Own Correspondent

MONTREAL.—Earnings of Distillers Corp.-Seagram's, Ltd., continue at the reduced rate indicated in the last interim earnings statement, for the first half of the current fiscal year, due in large measure to the self-imposed rationing by the company of its supplies in the U. S. market, where bulk of sales are made, but profits for the full 12 months ending next month are expected to cover dividend requirements twice over, with probably a considerable margin to spare.

For the first six months of the present year, net was equal to $3.34 a share (U. S. funds) compared with dividend requirements of $1.11, while second quarter net, at $1.71 a common share, was more than double dividend payments of 55½ cents.

There has been no falling off in demand for company's products—nor does there appear likely to be in the near future—but to conserve inventories the company has been following a policy of self-imposed rationing in the U. S. market, while, in Canada, Government rationing is in effect.

Produce Only For War

With all of present production of spirits going for war purposes, restriction of sales is deemed necessary to protect present stocks from too rapid depletion. At present rate of sale, however, it appears likely that Distillers Corp. will have sufficient stocks to last, until production of spirits can be resumed.

The company does not report the amount of spirits on hand, but on July 31, last, inventories of whiskies, spirits and other supplies were reported, at cost, at over $65 millions. This was a gain over the $59½ million reported the year before, but this gain was due to higher prices paid for stocks acquired during the year, and actually there was a decline in volume of whisky stocks. Since the close of the last fiscal year, the company has acquired Frankfort Distilleries, thereby obtaining another 350,000 to 450,000 barrels of bonded whisky.

Present Costs High

The company has been following policy of "last-in-first-out" in computing costs of whisky sold. This policy, which has been approved by the tax authorities, tends to narrow profit margins while the newest-acquired high-price whisky is being disposed of. In addition, the company has set up a reserve of $3 millions against possible loss on spirits acquired at premium prices. This policy should leave the company in a more favorable position, in post-war period, with lower cost whisky left, and premium whisky disposed of during wartime rush sales period.

Tax Revision Urged Now By Garson

Fears Provinces Forced Into "Form of Socialism" to Preserve Sound Credit Standing

Failure to reform in time the obsolete and regressive tax structure of peacetime Canada may force provinces which wish to preserve a sound credit into a form of socialism, was the warning of Manitoba's premier and provincial treasurer, Stuart S. Garson, in an address prepared for delivery to the Canadian Life Insurance Officers Association in Toronto Thursday. Barring tax revision, some provinces would be forced to enter business — through tax-free government corporations — in order to raise sufficient revenues to meet today's responsibilities, he claims.

Up to Provinces

Responsibility for the most vital parts of postwar reconstruction in Canada rests with the provinces, which control natural resources, education and social services, Mr. Garson pointed out. Sole tax field will be the return, at the expiry of the Dominion-Provincial Income Taxation Agreement, of the right to impose provincial direct taxation; but this will have to be done on top of the continuing high direct taxes, which will have to be maintained by the Dominion in order to support its share of higher postwar costs. Just as financing the war on the basis of the pre-war tax structure, one of the worst in the world, Mr. Garson interjected, was recognized as impossible, so the Dominion will find it impossible to finance the peace through federal indirect taxation.

Aggravating the difficulty is the variation between the taxable resources of the different provinces, and the effect of movements of wealth over provincial borders before it becomes taxable.

Ample Time For Solution

The problem has already been investigated and reported on, by the Sirois Commission, Mr. Garson pointed out. There has been ample time for a rational solution if not that, then another. If such a solution is not implemented, Manitoba and probably others will be forced to seek some means within their constitutional powers to enlarge their revenues. That means is suggested in Manitoba by the fact that

(Continued on page 2, col. 4)

"Power" Dispute Agreement Near?

From Our Own Correspondent

MONTREAL — Negotiations with government officials have been continuing, and there is reasonably good prospect of settlement within two weeks on "fair" terms for sale of Montreal Light, Heat & Power Consolidated stock to the province, according to the Shareholders' Committee of Negotiation," which now claims to represent over half of the outstanding stock of the power company.

The committee contends that it differs with the company's management only in that it has been seeking to go more than half way to reach a fair understanding with the Provincial Government. Any offer received from the Government will be turned over to the directors of the company, it is stated.

Attack Held Factor In Election Outlook

With Dominion-provincial Parley Difficulties Cropping Up, King Said Desirous of Fresh Mandate for Postwar Plans

By STAFF WRITER

OTTAWA.—Now that the invasion has started, prospects for a fall federal election in Canada are a matter for reasonable speculation. Much will depend on the success accorded our forces, but if present hopes of United Nations leaders for cleaning up the European sector of the war this fall materialize, it is very likely that Mr. King will be found going at once to the country.

The issue of the election is now shaping up very clearly at Ottawa.

It is that Mr. King wants a clear mandate from the Canadian people to proceed with the vast plans and program for postwar reconstruction which are presently cluttering up Parliament Hill and which for the most part are bogged down in the chronic complaint of Parliamentary indigestion and in the inability to get provincial co-operation.

An Important Parley

Almost unnoticed in the huge, unwieldly and clearly unattainable legislative program which Mr. King is now attempting to carve out, are the plans for a Dominion-provincial conference. This conference has been given little publicity as yet, partly because of the inability of the Government to overcome various technical and other obstacles which individual provinces have placed in its way. Where it has been discussed it has been talked of quite inadequately as a meeting to clarify such matters as health insurance, old-age pensions and other specific fiscal and constitutional problems.

But the proposed federal-provincial conference which Mr. King is aiming for, is something far broader than that.

It is a conference which has as its primary theme the finding of an answer to the question: "How can Canada maintain employment and income in the postwar years?"

After weeks of preliminary backing-and-filling in which there was a lengthy and contentious correspondence between Prime Minister King and Premier George Drew, the Government finally sent out to the provinces some weks ago a preliminary agenda of the subject matter of the conference. This agenda is about as complete and all-embracing as anything the Rowell-Sirois experts had to contend with. This time, it has the added virtue of tying in definitely with the postwar "full employment" problem.

In short it is a parley which strikes at the very root of postwar reconstruction in that it will attempt to get at the heart of programs and policies necessary to maintain a high level of postwar employment.

What is now thought likely is that Mr. King may not wait for the conference to founder on the rocks of fiscal and constitutional discord, but will strengthen his hand by obtaining first from the people of Canada a clear mandate to proceed at once with this broad platform of a full employment program.

Were this to be the case, then there is little likelihood of an immediate adjournment of Parliament for a breathing spell prior to a fall session. What would be more likely would be for Parliament to continue in session for the next month or two.

Then there would be a winding up and a fall election aimed to give Parliament the needed mandate to come back and take the necessary legislative and other steps necessary to overcome any provincial objections and implement the "full employment" program.

It is conceivable, of course, that the Government might decide to call the conference prior to an election. Much may depend on the course of the war in Europe and the reaction of the individual provinces to the agenda already discussed and which is now in the hands of each province for consideration.

Say No Discrimination Between Quebec, Ontario

Quebec Got More Spirits, Ontario More Beer, King Reveals in Rejecting Drew Plea for Transfer of Liquor Control

By STAFF WRITER

OTTAWA.—Although it is reputed that down around Quebec province, there is a big political connection between liquor supply and votes, Prime Minster King has had no hesitation in bluntly refusing Premier Drew's plea for giving the provinces free rein in the distribution of alcoholic beverages.

Mr. King (through Hon. Colin Gibson, Minister of National Revenue) has made it clear that there is no discrimination between Quebec and Ontario. (Quebec got 1.2% more spirits and Ontario got 32.4% more beer in the year ended Oct. 31, 1943)). It has also been made clear that "short supply" is not the issue so far as spirituous liquor is concerned.

In that connection here are some very illuminating figures to show just what has happened to stocks, consumption, export and importation of liquor in the past 8 years.

Disposition of Spirituous Liquor in Canada (Potable Spirits in Millions of Proof Gallons)

Fiscal Years	—Domestic— consump.	export	Warehouse stocks	Imports
1936-37 ..	1.9	5.3	30.1	1.1
1937-38 ..	2.3	4.6	28.2	1.3
1938-39 ..	2.3	1.9	28.7	1.3
1939-40 ..	2.0	1.9	32.5	1.6
1940-41 ..	2.4	3.3	36.0	1.5
1941-42 ..	2.9	2.1	38.7	1.5
1942-43 ..	3.4	2.6	40.7	1.3
1943-44 ..	2.6	2.2	36.4	.8

One or two points are worthy of comment about this table.

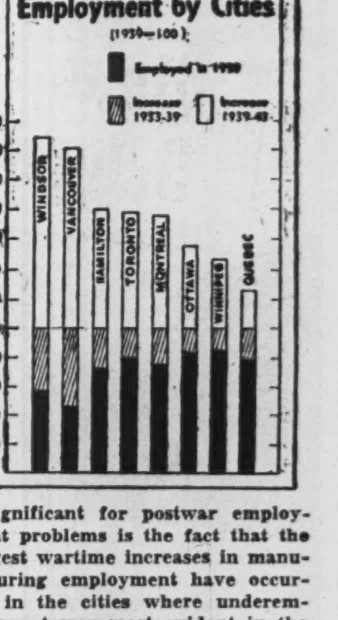
For one thing, the apparently substantial total of warehouse stocks (well above the average of pre-war years) must not be taken too literally. From this total must be deducted several million gallons of stocks reserved for industrial purposes. There is also the factor of evaporation, etc., which looms large now that there is no replenishment for the "duration." The remainder is a figure which must be distributed over a several year period because of the problem of aging and making stocks last until new production (once it begins again) can be aged sufficiently to be of use.

So far as exports are concerned, Canadian authorities look with some pride and satisfaction on the ability of Canada to maintain this figure in spite of war conditions. It will be seen that exports during the war have been maintained on average at about the 2.5 million gallon mark. This is only about half the pre-war total, but it is considered a satisfactory amount in view of the circumstances and something which it is definitely in Canada's interest to maintain if possible.

The view is that Canadian whisky is beginning to have an excellent reputation in the U. S. and that this is something which should be taken into consideration so far as the present and future are concerned.

The final point made by Col. Gibson is to turn on Col. Drew the very wording used in the advertisement of his own Commissioner, Victor Goggin, namely, that the Ontario situation at the present time is "a problem in simple arithmetic." In short, that when the Ontario liquor ration was 160 ounces a month, there were 155,295 permit holders. In March, 1944, the number had swelled to 1,282,938.

Pace of Business



Significant for postwar employment problems is the fact that the biggest wartime increases in manufacturing employment have occurred in the cities where underemployment was most evident in the depression. Implication of the above figures is that the return to normal will be most difficult for Windsor and Vancouver, least difficult for Quebec and Winnipeg. But it is important to observe that the cities with the greatest employment increase had shown substantial growth to 1939, a fact which probably indicates that long-term influences favor their continued expansion. This will probably ease the transition problem for these regions of peak war effort.

Ilsley Upholds Reserve Plan

"First Line of Defense" for Banking Stability, Says Minister

By KENNETH R. WILSON

OTTAWA.—It is unlikely that there will be any addition to, or subtraction from, the comprehensive, incisive statement made this week to the Banking and Commerce Committee by Hon. J. L. Ilsley on the matter of inner or "secret" bank reserves.

Banker and politician alike seem satisfied that Mr. Ilsley's statement answered the points raised in committee in recent weeks and that it would stand as one of the most competent, constructive and effective statements on this subject made through the long years of parliamentary control over banking.

In Mr. Ilsley's view the inner reserves of Canadian chartered banks are, "a necessary and universally recognized part of the business of banking." He says:

"No prudent banker would carry on his business without them. No bank would be likely to survive which overlooked their necessity."

Reserves for Bad Debts

Mr. Ilsley defined these inner reserves as "nothing more or less than the reserves for bad and doubtful debts which the banking business requires." He described them as a "first line of defense against losses on loans and losses on investments which may have to be realized in cash on a large scale and on short notice and which by law cannot be valued at more than market prices." They are not, he says, a part of shareholders' equity. They represent only the writing down of assets to their true value and should not be subject to income tax.

Mr. Ilsley suggests that a study of annual and monthly returns required to be made by the banks to Government indicate "that Parliament not only intended the banks to set up inner reserves but required them to do so." Only one conclusion can be drawn, says Mr. Ilsley, namely, "that inner reserves are recognized and required by Canadian banking legislation."

Two Safeguards

Two important safeguards, says Mr. Ilsley, have been set up by Parliament in days gone by to guard against "unsound valuation of assets and assure the provision of adequate reserves."

The first of these is the external audit, first established in 1913 and greatly strengthened in 1923. The other provision is the establishment of an inspector general of banks, in 1924, "to assure the safety of creditors and shareholders by seeing that assets are soundly valued and that the banks are maintained in a sound financial condition."

From the viewpoint of public policy, the Minister of Finance, on the basis of information given him by the external or shareholders' auditors and the inspector general, must decide whether a bank's reserves are adequate or more than adequate. This implies responsibility, says Mr. Ilsley, for determining "when inner reserves are adequate or whether the annual appropriations to them are a proper charge to operating expenses."

An "Operating Expense"

In the case of an ordinary business, says Mr. Ilsley, "a reasonable reserve for bad and doubtful debts is a legitimate charge to operating expenses" and "is rarely disclosed in the balance sheets of ordinary companies." Such "reasonable allocations to inner reserves" should, he says, in "the special business of banking" be regarded "as operating expenses and deducted from gross earnings before taxable net income is calculated."

Therefore, says Mr. Ilsley, from the point of view of taxation, "the only real question is whether the allocations to inner reserves are excessive." If such reserves are excessive, "if they are more than necessary to take care of probable losses of the banks, then the excess and only such excess should be subject to tax."

Mr. Ilsley then cleared up an important point not previously revealed when he stated that the Income Tax Department of the Government relies on the examination and audit made for the Minister of Finance in determining whether or not the provision for losses made by the banks is a reasonable one. Thus the extent to which these reserves may be larger than necessary and therefore might be deemed to be evading income tax, is the responsibility of the Minister of Finance.

Until now, this has been a "moral responsibility" but Mr. Ilsley announced that he now plans to amend the Bank Act to make this a legal responsibility and to give the Minister:

". . . . specific legal authority to direct that where, in his opinion, amounts transferred to a bank's inner reserves are in excess of reasonable requirements, having regard to all the circumstances, any such excess should be taken into net income and subjected to tax."

Reserves Not Excessive

As to whether or not present inner reserves are "reasonable and necessary," Mr. Ilsley says he has now gone over the position of the chartered banks as at the end of 1943 fiscal year, together with the Inspector-General, the Deputy and the Governor of the Bank of Canada. He reports:

"It is our unanimous judgment that the inner reserves of at least seven of the banks are clearly not

(Continued on page 2, col. 3)

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Newspapers Meet D-Day Problems Efficiently

(Continued from page 1)

on Tuesday to report that the day had proved "Rather quiet, as a matter of fact."

The CBC got its first broadcast (from Halifax) on the air at 5 a.m., eastern wartime, routing out its announcers and newswriters by the "chain system" by which each man is given two or three others to call. Perfected some 12 months ago, and tested in the Canadian Press rehearsal, CBC's alarm system gets the whole staff moving within a matter of minutes.

CBC in Action

Shortly after the Halifax newscast, the CBC was in action across the continent, all regular programs were scrapped, except for regular newscasts. Schedules had to be torn up to make room for Prime Minister King in the morning, King George in the afternoon and President Roosevelt and the Prime Minister again at night.

For the morning newspapers, particularly in the West, the timing of the invasion was the answer to editorial prayers. Paper rationing was temporarily ignored (Toronto's Globe and Mail got out three extra editions) by the papers that had any leeway, but this was strictly a matter for individual decisions.

Much the same smooth functioning was reported from the telegraph companies, which, like the news media, had been expecting the rush of invasion traffic. No jamming, such as accompanied the declaration of war in 1939, was reported in any section of the news network.

Stock Market Spurt

In the stock markets, the sharp spurt in activity that had long been anticipated as the companion of invasion developed according to schedule. Following a somewhat slow opening in the Canadian markets, volume increased and prices were stronger, particularly for golds and papers, the recent market favorites. In New York, volume more than doubled in a sharply rising market, with golds again the favorites. Only in London did stock prices turn down fractionally, but it is pointed out that due to the difference in time, London's market closed before the first reports of successes could make themselves felt.

For the rest of business, D-day proved slower than usual. Most of the business community was preoccupied with the news, but in a few cases patriotic advertisements that had been prepared in advance for the invasion day were whipped into print.

When Parliament met fifteen minutes after its scheduled hour and with the King's message still ringing in its ears, it heard Mr. King urge all members to do their part in expediting House business and face the facts that it would take all year to even get through the present legislative program at the current rate of progress.

Earlier, when the important Banking and Commerce Committee met at 11 a.m., Honorable J. L. Ilsley made a similar appeal to the membership to realize their responsibilities on this fateful day. His appeal fell on hard ground so far as Social Credit Leader Blackmore was concerned, for very soon thereafter that gentleman was defying Chairman W. H. Moore and other members of the Committee and filling the air and the records with a long irrelevant harangue about the iniquities of the Canadian monetary system.

Something similar happened in the Commons. When Mr. Graydon suggested the House sit on Wednesday to speed parliamentary business. Mr. King said he did not think so, but suggested that the party whips get together instead. The spirit is apparently willing but the parliamentary flesh weak, when it comes to matching the co-ordination and striking power of D-day with a comparable exhibition of concerted efforts in the legislative field.

Aluminum Co. Refunds Debt

Applies to Board to Create $50 Millions 1st Mtge. Bonds

Aluminum Co. of Canada has made application to the Quebec Public Service Board to create $50 millions of first mortgage sinking fund bonds and for the immediate issue of $40 millions thereof.

Of the $40 millions, $13,750,000, series "A," will be in Canadian pay bonds, and $26,250,000, series "B," in United States pay bonds, each bearing interest at 3½%.

Maturity, May, 1974

The bonds will be dated May 15, 1944, and will mature May 15, 1974. All the series "B" bonds and $9,500,000 of the series "A" bonds will be sold to retire at any date prior to July 1, 1944, $19,000 principal amount of 4% first mortgage bonds of Aluminum Power Co. Ltd., and for other purposes.

Holders of the Aluminum Power 4% bonds payable in Canadian funds will be given in exchange $9,500,000 of Aluminum Co. of Canada series "A," 3½% bonds, and interest at 4% from Jan. 2 to May 15, 1944, and ½% from then to date of retirement; the $9,500,000 Aluminum Power bonds payable in U. S. funds will be retired through payment of the principal amount at par, plus an additional amount of $12,354 and interest of 4% from Jan. 2, 1944, to date of retirement.

Garson Urges Change In Tax Structure

(Continued from page 1)

last year Manitoba's three government enterprises earned over $5 millions, after all charges, due partly to freedom from federal taxes.

Though the present government of Manitoba has never favored state socialism, Mr. Garson said, it is convinced that Manitobans will not submit to support a government which offers services and higher taxes. Thus socialism may be "indirectly forced upon the provinces by leaving them with heavy responsibilities and revenues inadequate to support such responsibilities."

Keeping Posted

"The only financial paper that one's wife seems to find so interesting to read," says a letter in this week from a man in the Maritimes. He adds, "I think you will agree that it would be difficult to conceive of a higher recommendation in the case of a financial publication."

The number of women readers of The Post is one of the things that does very much interest us who write The Post. We constantly hear about women who read The Post as regularly as the cookery columns or magazines like Chatelaine.

And the thing that interests us about them is that while some of them use The Post to keep informed about investments, most of the women readers we know read The Post simply to keep well informed about what's going on in Canada generally—to get the background and explanation of significant developments in our public affairs, to read our editorials, our personality sketches (Postscripts), Adelphi's column from London, our Question of the Week and our general run of news about the life and work and plans of enterprising Canadians.

What is done at Ottawa and in the executive offices of Canadian business leaders today almost without exception directly concerns the housewife tomorrow or a month from tomorrow or a year from tomorrow. For these "big" decisions like pebbles dropped in a pool, spread out and affect in dozens of ways, the lives of every Canadian housewife.

We write our material from that point of view. We are not surprised the number of our women readers is increasing.

General Steel Wares Issues New Preferred

From Our Own Correspondent

MONTREAL.—Offering of an issue of $5 millions par value of 5% cumulative preferred shares (each $100 par) of General Steel Wares Ltd. by a syndicate headed by Dominion Securities Corp. has been announced. Proceeds of the new issue will be used to refund the outstanding 7% cumulative participating preferred shares which are being called for redemption on August 1.

Upon completion of present financing, the company will have outstanding: $2 millions debenture notes, maturing June 1, 1945, to June 1, 1952; $5 millions par value of new 5% cumulative preferred shares, and 310,879 no-par-value common shares. On June 1, this year, the company redeemed balance of its first mortgage bonds, to amount of $4,626,500.

Mtl. School Bonds Quickly Taken Up

From Our Own Correspondent

MONTREAL.—An issue of $1,400,000 of serial bonds of Montreal Catholic School Commission, with proceeds to be used for refunding purposes, was oversubscribed immediately on formal offering. The bonds were priced at 100 and accrued interest, and comprised two maturities: $350,000 of 3% maturing June 1, 1945, to 1949, and $1,050,000 of 3¼% maturing June 1, 1950, to 1964. The bonds, dated June 1, 1944, are noncallable, with maturity to be in equal annual installments of $70,000. The offering syndicate was headed by L. G. Beaubien & Co., Ltd., and Rene T. Leclerc, Inc.

Parliament At Work

Canada has sent 11,172,308 bushels of wheat to Greece, Trade Minister MacKinnon announced during discussion of an $8.5 millions item for "gift of wheat to Greece," (Hansard, p. 3,442). As a result, 3 million Greeks were now getting about ½ lb. of bread a day. Mr. MacKinnon quoted statements of Greek officials to the effect that Canadian wheat had saved hundreds of thousands of Greek lives. Speaking for the CCF, S. F. Knowles, (Winnipeg North Centre), said his party wholeheartedly supported "this policy of the Canadian people—the Government will not mind it if I put it that way in this instance—in making this gift to the needy and heroic people of Greece."

Functions of the Canadian Export Board, set up Jan. 31, 1944, were outlined by Trade Minister MacKinnon, (Hansard, p. 3,434). Due to the fact that some governments insisted their imports must come through a government agency, Canada stood to lose trade if some such organization were not set up here. The Board was in reality an agency for other governments, a "procurement agency of civil goods for those countries which will not permit normal channels of trade to be used." When it gets an order from another government for goods, the Board buys them for delivery to this government, furnishing them at the purchase price, plus whatever charge is necessary to cover costs of the export transaction.

"Commercial disappearance" of Canadian wheat should amount to about 425 million bu. in the 1943-44 crop year, said Trade Minister MacKinnon, (Hansard, p. 3,397), announcing removal of restrictions on wheat deliveries for the remainder of the 1943-44 crop year. Already in the present crop year, 350 million bu. of wheat have been disposed of, compared with only 213 million bu. in the comparative period of the previous crop year. Storage space has been increasing in prairie elevators, with some 100 million bu. of space available at present.

Recently imposed ceiling price on strawberries was hotly protested by B. C. members (Hansard, pp. 3,398-3,412), with G. A. Cruickshank. (Lib., Fraser Valley, B.C.), leading the attack. As far as B. C. growers were concerned, he said, prices set would make it impossible for them to carry on. Cost of producing a pound of strawberries in 1943 was 12.57c, he said. Present return to farmers of 27c a quart, or 14.5c a pint, which would be reduced to 12c a pint after June 17, was not enough, he maintained. Flt. Lt. Jas. Sinclair, (Lib., Vancouver North), said the ceiling price was based on seasons when most of the berries were produced by Japanese "at prices at which no white man could ever attempt to produce them." Finance Minister Ilsley said the "order was worked out carefully and I can see nothing unfair about it."

Old age pensioners will be entitled to a maximum income of $425 a year, $300 pension plus $125 income from outside sources, without any reduction in their pensions, according to changes in the act announced by Finance Minister Ilsley, (Hansard, p. 3,395). In 1943, when the pension was raised from $240 to $300, the amount of additional income which could be received without reductions in pension, was lowered from $125 to $65. Change in regulations restores the $125 figure.

Canada has four centres for the treatment of armed services neurological cases, Pensions Minister Mackenzie stated, (Hansard, p. 3, 456), when Hon. H. A. Bruce, (Prog. Con., Parkdale, Toronto), asked why an offer to the Government for use of the Montreal Neurological Institute had been rejected. Dr. Bruce quoted from a statement to the press by Dr. W. G. Penfield, MNI head. Mr. Mackenzie said hundreds of similar offers had been received from other hospitals across Canada.

Jean-Francois Pouliot's outspoken criticism of the Senate and some of its members backfired when it ran into Standing Order 41, plus an unyielding committee Chairman and an equally obdurate trio of ministers. It can easily be seen what the Senators do "by looking at their Hansard," said Mr. Pouliot, (Hansard, p. 3, 419) "it is as thin as a sheet of tissue paper. They meet, shake hands and go away. They have nothing to do. If they were willing to work, if they had enough initiative, they could help us." Order 41 says that no House member may "use offensive words against either House," so the Chairman asked Mr. Pouliot for an "unqualified withdrawal." After several warm exchanges between Mr. Pouliot and Defence Minister Ralston, in which Mr. Howe and Mr. Mackenzie joined briefly, the Chairman insisted on a straight "Yes" or "No" on his withdrawal order. Impatiently, Mr. Pouliot exclaimed, "Yes, yes, yes."

Poultry, politics and beer bottles provided ingredients for debate when House members discussed a $15.6 millions item for WPTB administration. G. J. Tustin, (Prog. Con., Prince Edward-Lennox, Ont.), started the ball rolling (Hansard, p. 3,458), when he claimed WPTB inspectors had imposed price restrictions at an ungraded poultry sale in his constituency last December which worked a grave hardship on farmers with high-grade fowl. P. C. Black, (Prog. Con., Cumberland, N.S.), brought up the vexed question of sale of empty beer bottles in N.S. (Hansard, p. 3,481), which, he claimed, was being conducted by officials in charge in a purely partisan spirit, and to the detriment of others who wished to engage in it. G. B. Isnor, (Lib., Halifax), defended the Maritime authorities concerned.

Ilsley Upholds Reserve Plan

(Continued from page 1)

excessive, but that in the case of two or possibly three banks, the allocations made at the end of 1943 may have represented an undue degree of conservatism and may have brought the total reserves of these banks to a level somewhat higher than we, in the light of today's conditions and considering only the taxation aspect, could justify as a reasonable safeguard against the probable contingencies of the future."

Mr. Ilsley admitted that this view was in part a matter of hindsight after favorable developments (such as the Government's declared policy to maintain a low level of interest rates after the war) and that the differences of judgment "fall within a narrow range having in mind the magnitude of the assets involved."

He indicated that the banks involved have been advised of his views and that despite contrary views and judgment looked at from the banking viewpoint, public policy required that "after the further examination necessary to determine the precise amount of the excess in each case," the Department of National Revenue would be notified "of the addition which in my opinion should be made to the net income of the banks concerned for the purpose of taxation."

(The Financial Post is informed that no decision has yet been made as to whether or not the Government will require 1943 statements to be reopened for purposes of making this necessary adjustment of earnings or whether the adjustment will be permitted on 1944 earnings).

Should Not Be Published

As to whether in the future the banks should be required to disclose the amount of their inner reserves in published statements, and whether he should at this time take the responsibility "of publishing to the world the aggregate amount of the inner reserves held by the Canadian banking system as a whole," Mr. Ilsley gave an unqualified "no."

"After the most careful consideration and with a full sense of my responsibility, I have reached the decision that it would be unwise and against the public interest to do either.

"It seems to me clear beyond peradventure that it would not be in the public interest to require the individual banks to publish their inner reserves. The amount . . . is necessarily subject to fluctuation . . . furthermore the size of needed reserves and the probable fluctuations in them will show considerable variation as between individual banks depending on the nature of the business they do and the degree of diversification of their accounts.

"It would be impossible to apply a common yardstick to all banks and without the most thorough investigation of a bank's affairs it would be impossible to know what conclusions could soundly be drawn from published figures of inner reserves."

Mr. Ilsley then reminded members of the Banking and Commerce Committee that in the special 15-year analysis of bank earnings and expenses, which had been given to Parliament earlier in the session, it was possible to ascertain that the banks had actually added to their hidden or inner reserves the sum of $10.3 millions during the 15-year period 1929 to 1943. This represented only ½ of 1% of increase in their assets during that period. "Surely," he commented, "no one can say that this represents an undue or excessive increase in these contingency reserves."

Conclusive Answer

Mr. Ilsley believes that this table is "a conclusive answer to the doubts and suspicions that have been raised in this committee as to the profits of the Canadian banking system." He announces that he will recommend an amendment to the Bank Act requiring that similar information be collected and assembled as soon as possible after the end of the fiscal year and be published in the Canada Gazette and in Hansard.

"This procedure will I believe enable Parliament and the public to obtain regularly the information which is significant for determining whether the banks are making too much profit and whether they have too much left over out of earnings available for inner reserves to take care of their probable requirements over a period of years.

"It will provide a great deal more information about the Canadian banking system than has ever been published before or than is available to my knowledge in respect of the banking system of any other country, except possibly the United States."

(The table to which Mr. Ilsley refers and which was made public for the first time on May 2 when Mr. Ilsley introduced present amendments to the Bank Act, would not permit a calculation as to the amount added collectively each year by all the banks to their "inner reserves." It would provide, however, a sort of "moving average" in that for next year it would provide the net amount added to inner reserves in the 15-year period 1930-44. The following year it would show the amount added during the 15-year period, 1931-45, and so on.)

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Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Calgary, Alta.	May	Dominion Securities, A. E. Ames & Co., Royal Securities, James Richardson & Sons	3-3¼%	1945-61	$1,635,000	.....	.....
Mount Royal, P.Q.	May	Gairdner & Co.	2¼, 3, 3¼%	1945-64	225,000	99	.....
St. Colomb de Sillery, P.Q.	May	Oscar, Dube & Co.	3%	1945-64	64,000	98.85	.....
Montreal Cath. School, Comm.	May	L. G. Beaubien & Co., R. T. Leclerc	3-3¼%	1945-64	1,400,000	98.77	.....
Jonquiere P.Q.	May	J. E. Laflamme and Syndicate	3, 3¼, 3¼%	1-20 yr.	1,060,000	98.50	.....
Dominion—							
Canada Treasury Bills	June		....	Sept. 1 '44	65,000,000	99.903	.387%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Dom. Tar & Chemical	June	Wood, Gundy & Co., Greenshields & Co.	3¼%	ser.	$3,250,000	....	.....
General Steel Wares	May	Privately	3, 3¼, 3¼%	1945-52	2,000,000	....	.....
Stock Issues—							
General Steel Wares	June	Dominion Securities Corp. and Syndicate	5%	Pref.	5,000,000	100	5%
Arrow-Marjon Oils	June	Consolidated Brokers and Syndicate	....	Com.	4,500,000 sh.	....	.....

Unlisted Traders Show Caution on Invasion

The unlisted industrials continued firm during the past week. Traders and investors displayed a cautious attitude Tuesday pending more news of the invasion, states Plaxton, McDonnell & Co.

Atlas Steels common was fractionally stronger closing 27 to 28¼.

Brown Co. preferred lost 1½ points at 34½ to 36. The common was fractionally easier at 1.70 to 1.90.

Burns B held last week's level at 8¾ to 9½.

Hayes Steel Products firmed a half closing 13¼ to 14¼.

Minn. & Ont. Paper common eased a quarter at 10 to 10½.

E. L. Ruddy preferred, an inactive issue, was quoted 63 to 65.

Western Grain 6½% preferred gained a half at 31 to 33½.

THE BATTLE OF, BY AND *for the* GUNS!

The battle for guns waxes hotter and fiercer as the battle of and by guns grows in intensity. Canadian workers in scores of factories are toiling day and night to produce these weapons. What an inspiring battle for guns our men and women workers are fighting! With them—with all war-workers and war industries, and with our government—the Bank of Montreal is co-operating in supplying the special banking needs of war-time.

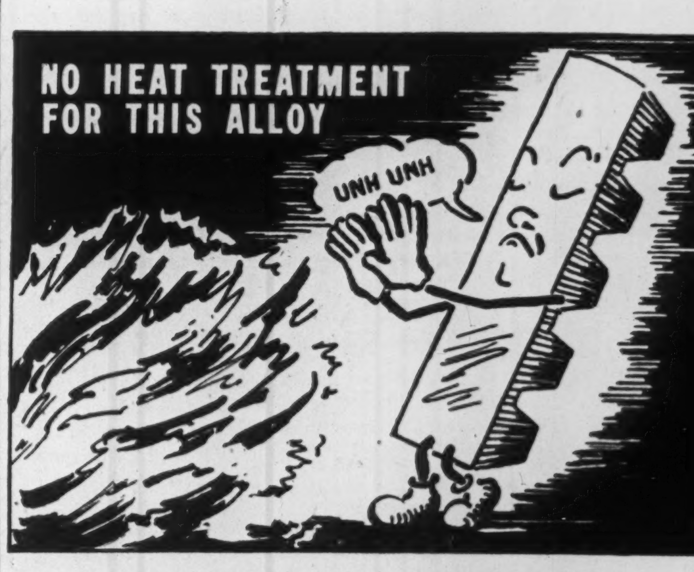
BANK OF MONTREAL
FOUNDED IN 1817
Modern, Experienced Banking Service... *the Outcome of 126 Years' Successful Operation* A 180

Royal Muskoka

A place where right-minded people live together simply, but in comfort, exposed to the lavish gifts of nature and man; free to be informal as the very air, but sure that *the spirit of the place will eliminate the wrong people.* Rates from $35 per week.

Descriptive folder from tourist agent or direct from Manager, Royal Muskoka P.O., Ontario. Muskoka Lakes

The resident manager, Mr. Charles Godfrey, is located at 53 Yonge St., Toronto, until June 19th. Phone El. 7095.



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The need has been very apparent for an aluminum alloy which has the physical, chemical and foundry properties of Frontier 40E Aluminum. Its high strength and corrosion resistance is obtained without the use of heat treatment.

Difficulty caused by warping and cracking due to the high temperature quench treatment of castings is eliminated where Frontier 40E Aluminum is used. This is particularly important when casting sections vary in thickness.

Frontier 40E has been approved by the R.C.A.F. for aircraft production and is widely used in castings for other industries.

We can supply you with castings in Frontier 40E Aluminum. We also supply ingots in the alloy for use in your foundry.

Write for information on how Frontier 40E Aluminum Alloy can help you solve your casting problems.

A-H-TALLMAN Bronze COMPANY, LIMITED
HAMILTON · CANADA

All Set and Ready to Go!

The Toronto picture is one of the features of the present war. Payrolls were never greater numerically nor in the average amount per pay envelope. At the same time, despite a serious shortage of merchandise, retail sales are away up. Advertisers who have continued throughout this trying period to keep the name of their product before consumers, even if that product has not been procurable, have piled up a nice backlog of prestige and good-will and are all ready to cash in on the consumer buying that will follow the letting up of restrictions on the manufacturing of their product. In the Toronto area the Evening Telegram has played an important part in helping to bridge over the gap by keeping consumers informed through its advertising columns. It stands ready to do yeoman service later when the "go ahead" period arrives.

THE EVENING TELEGRAM
Toronto's Most Interesting Newspaper
TORONTO CANADA
Montreal—E. R. Chown—1106 Dominion Square Bldg.

In Your Opinion

How Best Conserve Forest Wealth?

The Question: What specific recommendation have you to foster conservation and rehabilitation of our forest resources?

R. E. Balch

Dominion Entomological Laboratory, Fredericton, N.B.

True conservation means protection and more complete use of productive power of forest land. To this end we need aerial and ground surveys as a basis for forest management and industrial development and adequate system of permanent forest roads to facilitate management and protection from fire and insects. Governments and industry must co-operate to determine by large scale experiments the methods of cutting which are best suited to economic and silvicultural conditions and will ensure proper regeneration, maximum sustained yield and resistance to insects and disease. Forest services or local boards should be adequately staffed and authorized to bring about general use of these methods.

• • •

Robson Black

Vice-president and manager, Canadian Forestry Association, Montreal.

One urgent remedial measure is for the Dominion Government to declare its partnership with the provinces through a national forest policy to aid fire prevention and forest management amplifying and strengthening present provincial measures. Another desirable step is to apply unstintingly the technical brains and abundant manpower and machinery released from war service to wipe out the fire menace and put our forests in first-class condition for permanent cropping. The forest industry should receive maximum encouragement to harvest its woodlands in perpetuity. An especially pressing need is to educate our Canadian people to a prideful knowledge of their public-owned estate of timber.

• • •

Prof. G. G. Cosens

Dean, Faculty of Forestry, University of Toronto.

A vigorous forest policy is necessary in Canada, in order that our large and very important forest industries of lumber and pulp and paper remain in a strong competitive position. Cutting operations should be efficiently conducted to produce the raw product for Canadian mills, but at the same time those cut-over lands must be left in proper condition to produce another crop of equal quality in due course.

The reclamation to forest growth of areas wasted in the past is just as important as the protection and care of present mature and young forests.

In Canada research directed toward the improvement of present manufacturing methods and the increased utilization of wood for new products is essential, and must accompany the study of regeneration and growth of forests.

• • •

Aubrey Crabtree

President and general manager, Fraser Companies, Edmundston, N.B.

Greater emphasis should be placed on efficient and economic utilization of annual growth rather than on conservation. Assurance of security of tenure by provincial governments on existing and future forest industries will encourage long term planning so essential for optimum results. We should institute an intensive educational campaign focusing special attention on settled areas bordering forest land to stimulate co-operation between settlers and industry toward elimination of forest fires menace which will have the result of providing greater stability of woods products industries, more regular employment with consequent steadier markets for the farm products of those areas.

• • •

T. C. Clarke

President, Vancouver Board of Trade.

Since we, the public, as owners of our B. C. forests, are responsible for 75% of forest fires it is up to us us to use greater care in the woods. It isn't good business nor good sense to burn down and carelessly waste one thing that we all share in. In the years before the war some 31,000 people employed by the forest industry received nearly $25 millions to spend on British Columbia markets. Coupled with what the industry itself spends this makes everyone, whether he be farmer, miner or doctor, a shareholder in this vast natural wealth.

S. L. deCarteret

Vice-president and general manager, Canadian International Paper Co., Montreal.

A sound forest conservation and rehabilitation program must include these basic points:

1. Survey of resources by aerial photography and other means to provide a basis for adequate protection, management and utilization.

2. Road construction to make forest areas accessible and watershed control.

3. Improved and more widespread forest protection with particular reference to fire and insects.

4. Closer utilization of timber species now in use and development of uses of other species.

5. Research in forest problems pertaining to silvicultural and management control.

6. Reforestation of waste areas.

7. Equitable allowances of depletion by taxing authorities.

• • •

L. H. Logan

Editor, Standard Observer, Pembroke, Ont.

If properly handled, our visible timber resources are adequate to supply our needs for perhaps 100 years, but governments could spend a greater proportion of the revenue from forests in research and educational work along lines of forest management; also in studying ways to make use of the whole tree, instead of leaving much of it in the bush to decompose or burn. Extension of fire protection and prevention programs, better disposal of slash, etc., are obvious conservation measures. General reforestation may not be practicable, but something along this line might be undertaken successfully on burned over areas and other suitable tracts.

• • •

Hon. J. S. McDiarmid

Manitoba Minister of Mines and Natural Resources, Winnipeg.

These specific forestry plans have been developed with respect to some 13 projects or project areas.

1. Surveys—land and aerial covering, forest inventory, growth and soil.

2. Protection—involving the construction of administration buildings, fire detection facilities, communications and fire guards and roads.

3. Recreation—involving summer resort development, office buildings, golf courses and other facilities.

4. Silvicultural treatment — involving release thinnings, pruning, sanitation, cutting, etc.

5. Reclamation — construction of dams, erosion control, development of grazing areas, establishment of nurseries, planting of blank areas and swamp drainage.

This work has been classified as to high priority and postponable.

It is estimated that the completion of the plans thus far developed would involve an expenditure of $19.6 millions and provide 10,730 man-years of employment. Of these totals it is estimated that $7.6 millions or approximately 4,100 man-years of employment would be required for high priority work. On the basis of a five-year program this would involve the employment of approximately 1,000 men and an annual expenditure of slightly under $1 million.

• • •

Hon. H. G. T. Perry

Head of B. C. Postwar Rehabilitation Council, Victoria.

The British Columbia Government has appointed a Royal Commissioner, Mr. Justice Sloan, now sitting, to cover a general enquiry of all phases of the forest industry including conservation. The B. C. Postwar Council recommended an extension of the program of tree planting, new forest nurseries, a substantial increase in forest service personnel, and construction of roads and trails for fire protection. It also recommended the development of 14 park areas in conjunction with forest conservation for which considerable detail planning has been completed, and the planting of 10,000 acres of cut overland per year giving an annual planting of 10 million trees and this could be expanded.

• • •

H. E. Rice

Mayor of Huntsville and editor, Forester, Huntsville, Ont.

It seems to me that forest conservation must be approached from two distinctive angles.

1. That a "cropping" policy should be adopted, and become a part of all contracts for cutting on Crown lands. By this is meant that such timber only as may be regarded as "ripe," should be removed, and steps taken to plant a new tree where one has been removed.

2. Contractors should also be compelled to leave Crown lands clean, by removing brush, thus much reducing the danger from fire.

Rehabilitation should, in my judgment, include a vigorous policy of reforestation on all vacant lands unsuited for agriculture, whether publicly or privately owned. Millions of vacant acres through the north, await such a move, the initiative of which must rest with the Government. One observes with some satisfaction, that many private citizens have dotted their vacant land with new plantings, but this is not enough. There must be active participation by the governments. It is a great postwar opportunity.

• • •

Chas. L. Shaw

Prominent Vancouver newspaperman.

Both industry and government must be prepared to plow back into the forests of Canada a greater proportion of the revenue that is derived from them if our great timber resources are to play in the future the same vital economic role they have played in the past. In British Columbia many of our forests will yield in perpetuity if given half a chance. Loggers must be encouraged to aid reforestation through more equitable taxation and all interests affected should contribute to a fund for increased fire protection and a really progressive program of research.

• • •

Arthur A. Schmon

President and general manager, Ontario Paper Co., Thorold, Ont.

I would recommend:

Increased grants to permit training and employment of larger technical staffs on forest insect and disease control and eradication.

Increased appropriation out of forest revenue for the concentration and development of fire protection personnel and equipment.

Study being given to the use of the many new machines developed for the armed services that might be adapted as well as a greatly increased use of the airplane for patrol and getting personnel on fire quickly when once spotted.

Improved legislation covering the burning of slash in colonization centres to give more efficient control than now exists, as well as a review of the many cutting regulations existing throughout the different provinces.

D. R. Wilson

Editor, Standard, Shawinigan Falls, Que.

The prime hazard in Canadian forests is fire, closely followed by insect infestations and disease. I am of the opinion that if destruction by fire is measurably reduced and pest control successfully introduced and practiced, there will be no need for any rehabilitation. Present use and any future contemplated use will be fully taken care of by the annual growth.

Selective cutting as practiced by the majority of large industrial companies should be in effect for all pulpwood and timber cuttings to allow for maximum growth of natural seedlings. Encouragement should be given to the economic use of all waste in the manufacture of useful products. The exports of pulpwood must be controlled within the limits of economical operation of forest resources within the country.

• • •

Leslie C. Way

Editor, News, Powell River, B.C.

Two basic steps are essential to conservation and rehabilitation of forest resources, namely:

1. As C. D. Ordhard, B. C. Chief Forester has pointed out, the Government and industry must tackle the problem together, sacrificing immediate profits in the interest of perpetual returns through selective logging, and quota regulated production, by legislation, if necessary, maximum usage of waste material, such as a pulp and paper industry is now undertaking, coupled with a long term program of reforestation.

2. An uninterrupted public educational program to combat destruction by fire even to the extent of including forest preservation in elementary and high school curricula.

• • •

Dr. L. B. Williams

President, "Men of the Trees," Toronto.

1. The most practical specific is some non-contentious action right now, wherein the amount of money and skilled labor involved is not staggering, i.e., "The woodlot is an inseparable part of the progressive farm."

2. Municipal councils (and that will be followed by communities, local organizations and individuals) should note local acreage most unsuited for soft-crop agriculture —even school children will soon take added interest in such spots.

3. Lower grade farms with woodlot or stream or both are being bought up, stripped of everything but outside fences and can be assessed now only as a ranch.—Legislation supervisory required.

4. Beautiful natural color film programs on actual conditions of sand-blow, erosion, gullies, rocks, dry stream beds, millpond and streams choked with nutrient top soil silt, farm desertion and resultant crops.

• • •

O. F. Young

Editor, News-Chronicle, Port Arthur, Ont.

Forests must be treated like any other crop with recurring growth or cycle of production. They must be cropped at ripening stage and all due preparations made for renewal, protection of land and plant from fire and insects to secure continuity. The greatest problem in northwestern Ontario is the spruce bud worm, threatening millions of cords of spruce. As Dominion profits are largely from industry, the Dominion entomological branch should assist the province in fighting the worm.

• • •

E. J. Zavitz

Chief, Division of Reforestation, Ontario Dept. of Forestry, Toronto

Ontario has millions of acres of submarginal idle land situated in watershed areas. These lands could be put under forest management, reforested and made to produce valuable wood crops. We should:

1. Protect the head waters of our important streams.

2. Assist in storing up ground water for adjacent agricultural uses.

3. Help preserve wells and springs.

4. Assist in preventing spring floods and erosion.

5. Prevent abortive attempts at farming unsuitable soils.

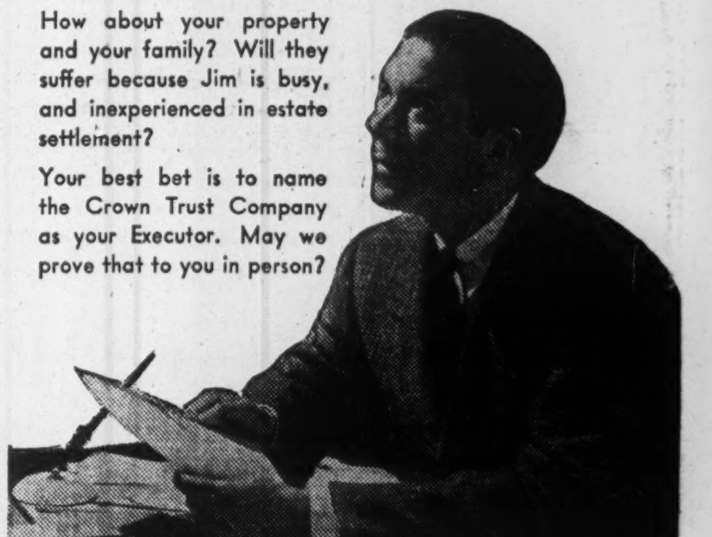
6. Assist in protecting wild life and provide many suitable areas for recreational uses to the adjacent urban centres.

"Jim's my partner. He'll be glad to serve as my Executor"

WILL HE? How about his own work? Will he be able to give your estate the time and attention it needs?

How about your property and your family? Will they suffer because Jim is busy, and inexperienced in estate settlement?

Your best bet is to name the Crown Trust Company as your Executor. May we prove that to you in person?



Crown Trust Company

Executors : : Trustees : : Financial Agents

MONTREAL TORONTO

MAKE YOUR SUMMER COTTAGE MORE COSY

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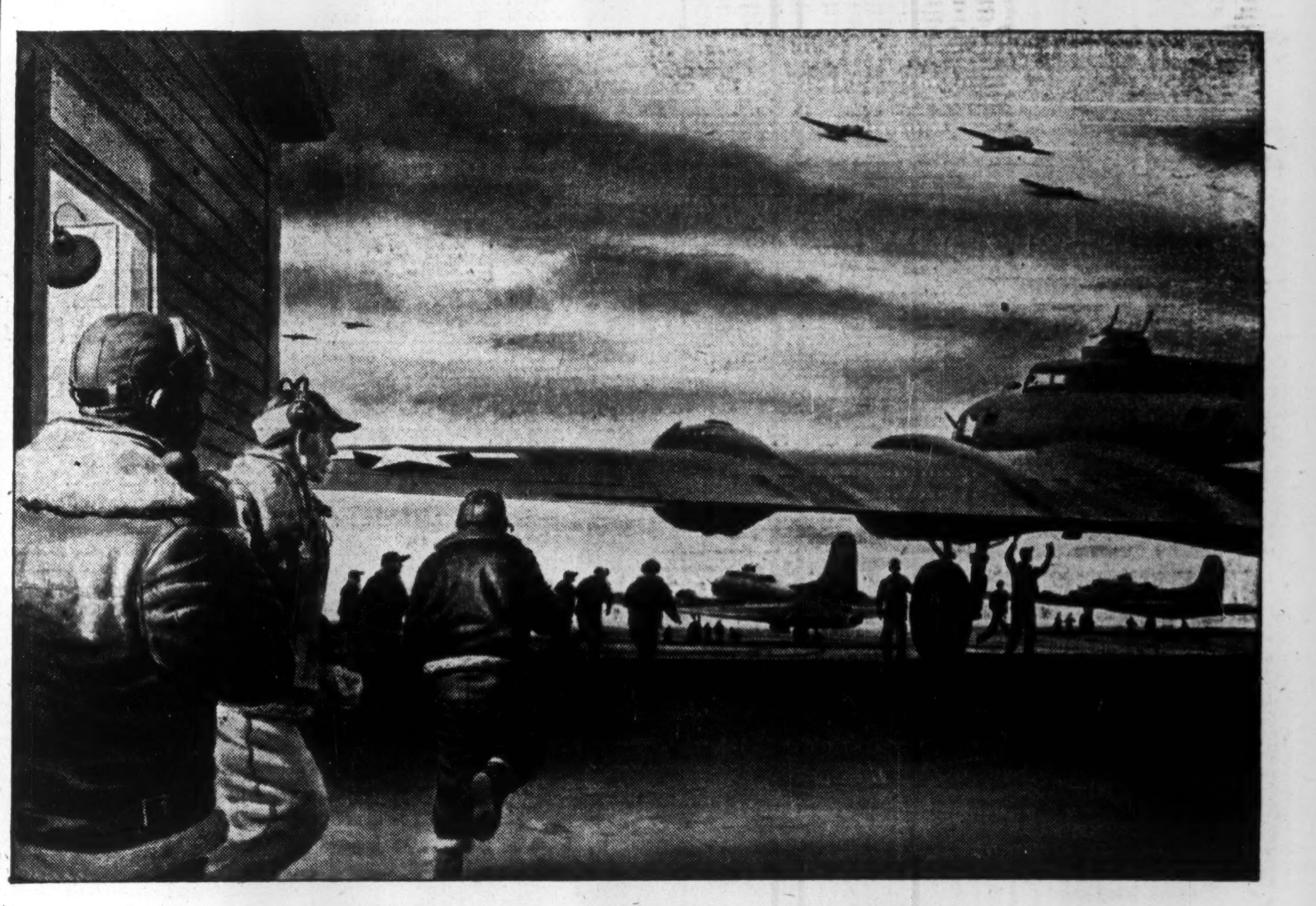

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CITY OF MONTREAL

To the holders of outstanding securities (bonds, debentures and inscribed or registered stock) issued by the City of Montreal or by the municipal corporations annexed thereto of the issues listed below which matured on and between the 15th May 1940 and the 15th May 1944;

— and —

The holders of outstanding treasury bills issued by the City of Montreal and dated prior to the 1st May 1944 or any renewals thereof.

NOTICE OF INTENTION TO REPAY

NOTICE IS HEREBY GIVEN that the City of Montreal, pursuant to the provisions of Article 2, paragraph 9, of By-law No. 1735 (By-law providing for the financial reorganization of the City of Montreal), intends to and will repay on the 30th June 1944

(a) all of the outstanding bonds, debentures and inscribed or registered stock of the issues listed in the table following:

Name of Municipal Corporation Issuer	Type of Security	Int. Rate	Maturity Date
Montreal	Bonds	6 %	15 May 1940
Montreal	Bonds	3 %	1 June 1940
Maisonneuve	Deb.	4½%	15 June 1940
Delorimier	Deb.	4 %	1 Oct. 1940
St. Louis	Deb.	4 %	1 Nov. 1940
St. Paul	Deb.	4¼%	1 Nov. 1940
Cartierville	Deb.	5 %	1 Nov. 1940
Montreal	Bonds	3 %	15 Dec. 1940
Montreal	Bonds	2½%	1 Mar. 1941
Maisonneuve	Deb.	4½%	1 Apr. 1941
St. Louis	Deb.	4 %	1 May 1941
Montreal	Stock	4 %	1 May 1941
Villeray	Deb.	5 %	1 June 1941
Montreal	Bonds	6 %	15 Dec. 1941
Maisonneuve	Deb.	4½%	1 Mar. 1942
Montreal	Deb.	4 %	1 May 1942
Montreal	Stock	4 %	1 May 1942
Cartierville	Deb.	5 %	1 May 1942
Montreal	Stock	3½%	1 May 1942
Montreal	Stock	3½%	1 May 1942
Montreal	Bonds	5 %	1 Nov. 1942
Delorimier	Deb.	4¼%	1 Dec. 1942
Montreal	Bonds	3 %	15 Dec. 1942
Montreal	Bonds	3½%	1 Mar. 1943
Delorimier	Deb.	4¼%	1 Apr. 1943
Maisonneuve	Deb.	4½%	1 Aug. 1943
Montreal	Bonds	5 %	1 Sept. 1943
Montreal	Bonds	4¼%	15 Oct. 1943
Montreal	Deb.	4 %	1 May 1944
Montreal	Stock	4 %	1 May 1944
Montreal	Deb.	4 %	1 May 1944
Montreal	Bonds	6 %	15 May 1944

at their face value, together with all interest accrued and unpaid thereon at the rate stipulated payable therein respectively to the aforesaid date of repayment;

(b) all of the outstanding treasury bills issued by the City of Montreal and dated prior to the 1st May 1944 or any renewals thereof, at their face value, together with all interest accrued and unpaid thereon at the rate stipulated payable therein respectively to the aforesaid date of repayment.

Holders of the bonds, debentures and treasury bills aforesaid are required to surrender them for repayment at the repayment price above-mentioned on the 30th June 1944 at the place of payment or at any one of the places of payment specified respectively in the bonds, debentures and treasury bills to be so surrendered.

Holders of the inscribed or registered stock aforesaid are required to surrender them for repayment at the repayment price above-mentioned on the 30th June 1944 at the place of registry of the said inscribed or registered stock.

All unpaid interest coupons should be detached before the surrender of the above-mentioned securities and should be presented for payment through the usual channels. Treasury bills; fully registered bonds and debentures; or coupon bonds and debentures which are registered as to principal must be accompanied by duly executed assignments or transfer powers.

NOTICE IS HEREBY FURTHER GIVEN THAT interest on the said bonds, debentures, inscribed or registered stock, and treasury bills shall cease to accrue on and after the 30th June 1944.

NOTICE IS HEREBY FURTHER GIVEN that for the purpose of effecting the repayment aforesaid the books of registration and transfer of the issues listed above will be closed permanently on the 19th June 1944 at 5 P.M.

DATED at Montreal this tenth day of June 1944

CITY OF MONTREAL
BY L. ROBERGE
Director of Finance

IMPORTANT: Canadian holders of securities mentioned in the above Notice of Repayment are strongly recommended to lodge their securities **IMMEDIATELY** with a bank for collection and to take advantage of the following special arrangement. The City of Montreal will pay all shipping and bank charges from any branch in Canada of the Bank of Montreal, Banque Canadienne Nationale, The Royal Bank of Canada and La Banque Provinciale du Canada to its Montreal branch in respect of securities shipped on or before June 20, 1944.

Holders of securities payable solely or optionally in United States funds should present their securities for repayment at the Agency of the Bank of Montreal, 64 Wall Street, New York, N.Y.

Dividend Payments Lower in May

From Our Own Correspondent

MONTREAL. — Dividend payments by companies whose securities are traded on the Montreal Stock Exchange and Montreal Curb Market in May totalled $6,987,712, a decline of $263,310 from May, 1943. Dividend payments for the first five months of 1944, however, showed a gain of $6,103,832, compared with like period last year, to a total of $69,774,447.

Of the 20 groups listed gains in payments were shown by five — construction, gold mines, miscellaneous industrials, textiles, clothing and utilities. Increased dividend payments were recorded for oils, pulp and paper, other equipment and retail trade. There were no changes in the 11 other groups.

Big Backlog Reported For Railway Equipment

Foreign Orders May Continue to Get Priority After War — Conversion of Plant Facilities a Big Job Ahead

From Our Own Correspondent

MONTREAL.—Railway equipment companies, on the basis of foreign and domestic enquiries, are anticipating plenty of business for several years ahead, at least.

The problem, as they now view the outlook, is to be not so much that of demand, as of production.

At present the railway equipment companies have sufficient business on their books to keep facilities available for car-making busy for the rest of the year, anyway. In addition, there has been increasing demand for equipment for export.

The locomotive companies, particularly, have been called upon to make a large number of locomotives for shipment overseas, and have sufficient orders to assure capacity output for several years.

These orders have been placed by governmental authorities, and the locomotives, and other railway equipment, for foreign delivery have been given priority rating, as of military importance.

With the end of the war, it is anticipated there will be considerable demand on Canadian companies to make equipment for war-torn areas, as part of reconstruction and rehabilitation of such areas. It is believed also that for a time after the war, Government priority regulations will continue, to assure aid in speedy economic recovery of devastated areas.

At the same time, Canadian railway equipment has been wearing out at an unprecedented rate, due to strain of wartime traffic, and there have been relatively few replacements. Impetus is likely to be given to demand for new equipments, to meet postwar highway and airplane competition, using new metal, plastic and other materials, at the new low prices.

The main problem for the equipment companies may be one of conversion of plant facilities during the transition period, immediately on the end of the war. The industry has taken a leading role in production of munitions and war machines, and new machinery must be installed to replace that now being used for war work. This is likely to interrupt production activities for a time, and place a strain on financial reserves. Fortunately most companies in the field are in relatively strong cash position.

CMA's 73rd Meet Opens June 12

Advance registrations for the CMA annual meeting in Toronto next Monday, through Wednesday, indicate that the manpower conference—800 names so far—once more commands most interest. Postwar planning, tariffs and taxation follow in order, with large attendance indicated for each. Expectation is that last year's total attendance figure of 2,800 will be equalled, if not exceeded.

Preliminary returns show less interest in the war production conference but since this will deal with termination of contracts and disposal of surplus supplies, it is considered likely the attendance will be well up to earlier years when the news gets around.

With Allied arms poised for the invasion in western Europe, this year's CMA program places new emphasis on the armed forces. The services are putting on some special displays during the three days and the meetings will wind up with luncheon at Webb Hall, Exhibition Camp.

Company Reports

Can. For. Invest.

Years Ended Dec. 31:	1943	1942
Earned per share:		
Preferred	*$116.75	*$51.41
Common	2.71	2.03
Paid: Pref.	8.00	8.00
Com.	2.00	2.00

*Based on shares outstanding at close of year.

(1942 figures bracketed below.)

Canadian Foreign Investment Corp., Ltd., reports for 1943 substantial improvement in revenues, with most of gain being carried through to net profit, which rose to $218,166 ($195,816). Demand for cement continued active, and shipments by the operating subsidiary were only slightly lower than in 1942.

During the year, exchange was received in sufficient quantities to complete the retirement of $150,000 par value of Brazilian Portland Cement Co. debentures, while the capital of the subsidiary was increased by the issue of 50,000 additional shares (each 200 cruzeiros par value), of which 37,667 shares were issued to the parent company, resulting in increase of $30,129 in book value of company's holdings of the subsidiary's stock.

Balance sheet as of end of 1943 shows marketable securities at $450,935 ($421,822).

On April 1, 1944, the balance of the company's preferred shares, $186,700 principal amount, was retired, leaving only 73,416 common shares outstanding.

Thrift Stores

Years Ended Mar. 25:	1944	1943
Earned per share:		
1st pfd. excl. refund.	$5.37	$7.83
1st pfd. incl. refund.	6.00	7.83
2nd pfd. excl. refund.	3.69	6.15
2nd pfd incl. refund.	4.31	6.15
Com. excl. refund.	1.79	3.27
Com incl. refund.	2.16	3.27
None paid.		
Working capital	$227,554	$286,484

(1943 figures bracketed below.)

Operating profits of Thrift Stores, Ltd., for fiscal year ended March 25, 1944, totalled $176,599, before providing for depreciation and income taxes ($192,687), and cash income after all charges including deduction of $7,400 refundable portion of EPT totalled $63,514 ($93,105). Income taxes for 1943 year were calculated at minimum rate in force, but $40,000 was transferred from surplus to contingency reserve to take care of any subsequent tax adjustments.

No dividends had been paid on the 6½% first cumulative redeemable convertible preferred shares and on the 7% second cumulative redeemable convertible preferred shares since Jan. 1, 1935, and on common since Oct. 1, 1934, but since end of the past fiscal year directors have declared a dividend of $3.25 a share on account of dividend arrears on the first preferred stock, payable June 1, 1944, to stock of record May 15.

David & Frere

Years Ended Mar. 31:	1944	1943
Earned per share:		
Class A excl. refund.	$2.31	$2.23
Class A incl. refund.	2.33	2.23
Class B excl. refund.	0.08	d0.01
Class B incl. refund.	0.06	d0.01
Paid: Class A	1.15	1.15
Class B	nil	nil
Working capital	$387,358	$329,181

d—Deficit.

(1942-43 year's figures bracketed below.)

On sales approximately the same as in previous year, David & Frere, Ltee., in year ended March 31, 1944, had operating profit of $116,507 ($103,799). Net income, excluding revenue from sale of fixed assets and bonds, and before crediting non-taxable surplus from previous years, totalled $54,314 ($51,210). After giving effect to participating provision of the class A stock, earnings on the class A shares amounted to $2.31 a share ($2.23 a share), while earnings on class B stock were six cents a share. Above figures are after deduction of $1,311 refundable portion of excess profits tax for past year.

York Knitting Mills

Years ended Dec. 31:	1943	1942
Earned per share:		
First preference	$101.83	$158.76
Second preference	47.42	75.88
Common	0.53	0.90
Paid:		
First and 2nd pref.	7.00	7.00
Common	0.40	0.40
Working capital	$1,524,663	$1,439,467

(1942 figures bracketed below.)

Sales volume of York Knitting Mills showed an 8% drop in 1943 but an upturn in sales is hoped for in 1944, J. Douglas Woods, president, states. Net operating profit on the lower volume was $395,463 ($512,041). After bond interest of $32,167 ($34,166), depreciation of $118,273 ($116,991), and tax provision of $97,500 ($125,436), net profit (including dividends received) amounted to $152,748 ($238,148).

Since the close of the year, all outstanding bonds, which amounted to $700,000 ($750,000) have been called and a new issue of $1,250,000 has been arranged. The additional funds were used in part to liquidate a bank loan (loans outstanding at year's end were $382,970), the balance being earmarked for "general modernization and development." Already purchased for postwar is a building in Woodstock to house a postwar hosiery factory. In addition, the company has purchased the majority of shares in a new company "which will utilize a process not previously used in the Canadian woollen industry," and which will be in operation for war purposes.

Wood, Alexander

Years ended Jan. 31:	1944	1943
Earned per share:		
1st pref. excl ref.	$8.65	$8.79
1st pref. incl. ref.	10.07	10.30
2nd pref. excl. ref.	5.04	5.48
2nd pref. incl. ref.	9.39	10.11
Common, incl. ref.	0.78	1.01
Paid:		
1st preferred	7.00	7.00
Working capital	$627,440	$631,064

(Previous year figures bracketed below.)

Wood, Alexander & James, Hamilton, Ont., realized a satisfactory sales volume in the year ended Jan. 31, 1944, President W. H. Cooper stated, owing to additional contracts received from the Department of Munitions and Supply. Net profits amounted to $56,215 ($57,141), after taxes of $81,088 ($111,131), of which $9,242 ($9,824) was refundable.

Chief balance sheet change was elimination of the last of the first mortgage 5% sinking fund bonds, of which $33,500 was outstanding last year.

After payment of 7% dividends on the first preference shares, earned surplus stood at $140,846 ($130,130). Arrears of dividends on first preference shares stood at $38.50 per share, or a total of $250,250, and arrears on second preference shares were $133.00 per share, a total of $282,492.

Sterling Coal

Years Ended Mar. 31:	1944	1943
Earned per share	$0.80	$0.70
Paid	nil	nil
Working capital	$286,483	$289,562

(Previous year figures bracketed below.)

Sterling Coal Co., and its subsidiary, Conger Lehigh Coal Co. report net profits of $19,959 ($17,598) for the year ended March 31, 1944, after taxes of $15,527 ($15,235). Operating income was almost unchanged at $107,839 ($107,222).

Current assets, which totalled $489,005 ($477,188) showed little change, though inventories formed a larger and cash a somewhat smaller proportion of the total. Higher accounts payable raised current liabilities to $202,521 ($187,625).

First mortgage bonds outstanding were reduced to $340,000 ($371,600) during the year. After all charges, earned surplus account was increased to $223,374 ($203,414).

MANAGER

Group Capt. H. O. McDonald, formerly Commanding Officer of No. 1 Manning Depot, Toronto, who has been appointed manager of the Toronto office of Midland Securities, Ltd.

Corrugated Box To Alter Bylaw

Bylaw amendments which will permit purchase of outstanding preference shares in anticipation of sinking fund requirements will be considered at a special general meeting of preferred and common shareholders of Corrugated Paper Box Co., to be held June 26 at Leaside, Ont. If holders of 60% of the $696,000 7% preference shares outstanding agree, the company will be able to buy its preference shares at any time in any amount, provided the price does not exceed the redemption price of $110. As it stands, 10% of annual net earnings, after current preferred dividend, must be applied to redemption of the preference stock.

Arrears on the preferred shares were eliminated by payment of $8.75 March 1, 1944. Outstanding at Dec. 31 were 3,848 dividend funding rights, issued in 1936 to settle arrears amounting to $33.25 per share. Regulations governing the redemption and treatment of these rights will also be modified by a resolution to be presented at the meeting.

International T. & T. Payments To Canadians, Tax Free in U. S.

Under a ruling by the Commissioner of Internal Revenue of the United States, Canadians, resident in Canada, will not be liable for United States income tax on dividends or interest received from the International Telephone and Telegraph Corp. in 1944.

In a letter sent out by the International T. & T. to its shareholders, the Commissioner is quoted as saying the corporation had shown that less than 20% of its gross income was derived in the United States in the three years ending 1943. Accordingly, the commission rules, interest and dividends paid to its non-resident alien bondholders and stockholders, which includes Canadians, are not to be treated as income from sources within the United States and the corporation accordingly is not liable for withholding tax from any such payments made in the calendar year 1944.

Can. Ingersoll-Rand Reduces Div. Rate

From Our Own Correspondent

MONTREAL. — Canadian Ingersoll-Rand Co. has declared a dividend of 50 cents on common, payable June 27 to stock of record June 13. This is the same payment as made March 27 to stock of record March 18, thus establishing the stock on a $2 annual dividend basis. In 1943, company paid total of $3.25 a share, with final payment, in December, at 75 cents. Previously the stock had been on a $4 annual basis.

The Senior Security of C.P.R.

Earnings of Canadian Pacific Railway Company in 1943 available for depreciation and fixed charges were the highest on record at over $65,000,000 compared with fixed charges of $21,795,836. Earnings have covered fixed charges about 2½ times over the past 25 years.

The Perpetual 4% Consolidated Debenture Stock is the Company's senior security.

Canadian Pacific Railway Company
Perpetual 4% Consolidated Debenture Stock
Interest payable January 1st and July 1st in United States funds only.
Price: 107 and accrued interest, to yield 3.74%

Our new pamphlet describing the Company is available on request. Mail inquiries receive prompt attention.

36 King Street West, Toronto, Telephone: ELgin 4321
Wood, Gundy & Company Limited

Dominion Tar Refunds Its Mortgage Bonds

MONTREAL. — Dominion Tar & Chemical Co. Ltd. has announced that it will retire on Aug. 1, 1944 its outstanding 4½% first mortgage bonds amounting to $3,360,000. A new issue of $3,250,000 3¼% serial first mortgage bonds has been sold to Wood Gundy Corp. Ltd. and Greenshields & Co., and is being placed privately.

Ventures Limited

We have prepared a concise memorandum, giving estimated break-up value, on this important mining enterprise.

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Announcement

We are pleased to announce that

GROUP CAPTAIN H. O. McDONALD

has been appointed manager

of our Toronto office

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Investments

Budget Important Item On Investment Front

Next to the second front, which at this writing, has not greatly affected the market, the biggest item of news for investors in the near future appears likely to be Finance Minister J. L. Ilsley's budget, expected about June 15.

Among the pleas for remedial tax action, the appeal of the Canadian mining industry, supported officially by the Ontario Government, calls for a lightening of the load of taxation on mines by increases in personal and corporate profit rates with respect to mines to 50% compared with present respective allowances of 20% and 33 1/3%. Deputy Minister of Finance Dr. W. C. Clark, some time ago, expressed himself as not in favor of such an easing of taxes in wartime but the situation has been the subject of extensive investigation since.

Attention has been drawn on more than one occasion recently to the very high rate of taxation on equipment imported into this country from the United States designed to broaden the base of Canadian industry. In certain cases, the added cost of importing such equipment is stated to be as much as 40 to 50% including the 10% war exchange tax, the 10% difference in exchange, 8% sales tax, custom duties, etc. Steel Co. of Canada, through its president, Ross McMaster, recently claimed that postwar planning is being held up due to uncertainties as to what the postwar situation will be.

• • •

Value of Hydros

The International Hydro-Electric System 6% debentures, which matured April 1, 1944, quoted at around $65 have been attracting considerable attention in Toronto financial circles recently.

With International Hydro-Electric in process of dissolution, interest centres on the asset value behind the bonds and their earning power.

On the first point, market value of the company's holdings in Gatineau Power (1,439,024½ shares) plus the value of its New England Power Association common (821,780 shares) more than equals present market value of International Hydro-Electric bonds. Taking Gatineau shares at present price of $9 a share Canadian funds the New England Power shares at $6.50 U. S. funds, or $7.15 Canadian funds, a total market equity of $18,826,947 Canadian funds is secured which compares with $17,800,560 market value of the $26,568,000 of 6% debentures on the basis of $670 per $1,000 par value.

But included in International Hydro-Electric assets are fairly important assets on which a market value is not available but which in the aggregate contribute substantially to the company's income. These comprise all the shares of Hudson River Power Co., System Properties, Corinth Electric Light & Power. In 1942 these subsidiaries contributed 40% of net dividend income.

To service interest charges of 6% on the debentures, $1,594,080 U. S. funds is required annually. After allowing for withholding tax and difference on exchange, continued payment of the 80c Gatineau common dividend should provide $756,140 U. S. funds or approximately 50% of this amount. Toronto sources estimate that probable interest and dividend income from Hudson River and System Properties will approximate $776,760 U. S. funds.

While balance of present shareholdings are at present non-paying, New England Power Association shares appear a potential asset of importance. Under a proposed reorganization plan, a "normal postwar average year" is officially expected to give 821,780 new common shares earnings of $1.15 a share (U. S. funds). This plan awaits approval of the S.E.C. and the courts but its approval would apparently improve the position of International Hydro-Electric System, possibly allowing coverage of bond interest by a substantial margin.

New Highs and Lows

New highs were much more numerous than new 1944 lows in the week ended June 6. A total of 33 issues in the general groups made new highs as against only four making new lows. Eighteen new mining stocks touched new highs while seven established new lows. Oils showed weakness only one issue making a new high as against new lows for four.

GENERAL

New Highs—1944

Abitibi, 6% pref.	Dominion Tar, c.
Do., 7% pref.	Fraser Cos.
Ang. Can. Tel., pf.	Indust. Accept., pf.
Barkers Bread, c.	Inter. Metal, c.
Beatty Bros. (B)	Inter. Paper, pfd.
B. C. Pulp, c.	Inter. Unilities, A
Canada Cement, c.	Inter. Metal, c.
Can. C'ners 2nd pf.	Laura Secord
Can. Steamships, p.	Loblaw, A
Can. Int. Invest. p.	MasseyHarris, pfd
Can. Locomotive	Mitchell, Robt.
Chartered Trust	Northern Trusts
Cockshutt Plow	Nat. Breweries, c.
Cons. Press	Smith, H. Paper, c.
Cons. Div. Secs., c.	Thayers, c.
Cons. Smelters	Weston, Geo., c.
Dom. Dairies, pref.	

New Lows—1944

Bk. Can. Nationale	Toronto Elevator, c.
Can. P. & P. Inv. p.	Winnipeg, Elec., c.

MINING

New Highs—1944

Bayonne	God's Lake
Bear Exploration	Graham Bosquet
Bridge River	Grull Wihksne
Bulolo Gold	Gunnar Gold
Central Manitoba	L. Dufault, rts.
Coin Lake	Placer Dev.
Conwest Exp.	Sudbury Basin
Falconbridge N.	Towagmac
Giant Yellow'fe	Ventures

New Lows—1944

Coast Copper	McMarmac
Cochenour W.	Powell Rouyn
Hard Rock	Power Rouyn v. tr.
McGillivray Cr.	

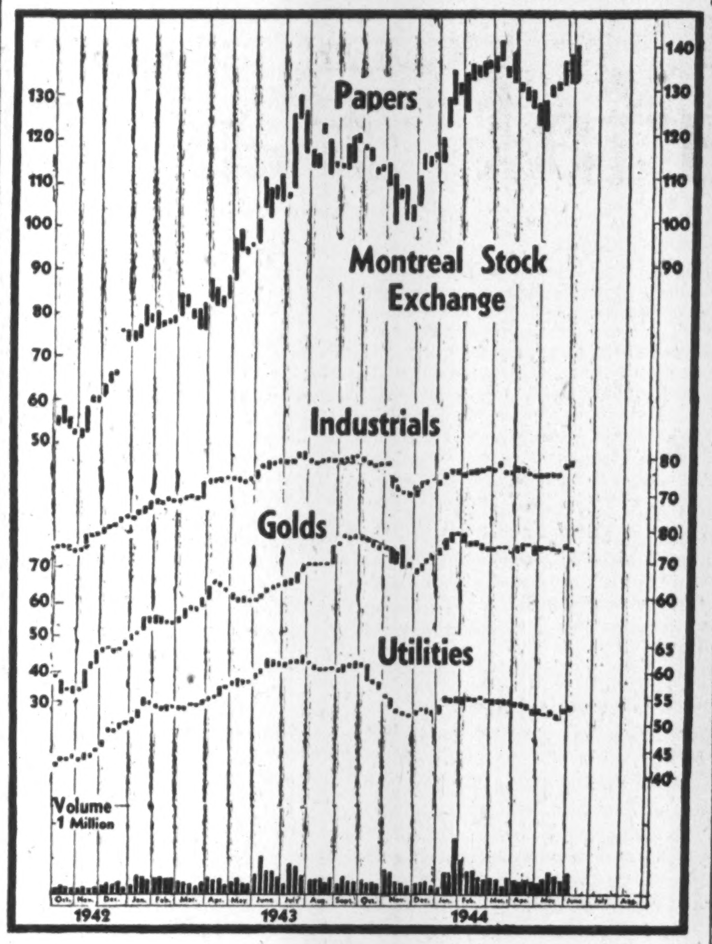
OILS

New Highs—1944

McLeod

New Lows—1944

Calgary & Edm.	Model Oil
Highwood Sarcee	Royal Canadian



Market Comment

Market Rises With Invasion

Those market prognosticators who forecast that opening of a second front would signal a marked if temporary decline in stock prices found no confirmation in stock market activity Tuesday when the second front news broke.

New York, after a little nervous selling, moved higher on increased volume.

In Toronto, industrials hit a new 1944 high on Tuesday closing at 120.65 against a high of 120.46 the preceding week. Golds moved up nearly 1.5 points to 102.11. Base metals edged narrowly higher. Industrials, base metals and oils had all been a little stronger the preceding week.

Montreal on Tuesday showed gains in utilities, industrials, pulps and papers and golds, the gains in the golds running 1.17 points.

With Prime Minister Churchill forecasting a battle of gradually increasing intensity for the next few weeks, traders were inclined to think that success attending this struggle would tend to set the pattern of the market for that period at least.

• • •

Barron's (New York): The Trader: In a fear psychosis based on the uncertainties inherent in the invasion of Europe, timid capital may be falling into the age-old danger of failing to see the forest for trees. While a postwar depression may conceivably be in the making, the tangible deferred demand described for the motor, truck, farm equipment, textile and textile machinery, rubber, office equipment, railroad equipment and electrical equipment runs into billions. All this is irrespective of European needs. Financial and business fundamentals, present and prospective, argue against the need for liquidation. Investors continue to absorb both bonds and stocks eagerly. A market which responds, however moderately and slowly, to good news and steadfastly ignores adverse factors justifies no undue concern.

• • •

Barron's (New York): The Dow Theorist: Under the Dow theory, if the rails had broken through their March high decisively, the pattern since the November 30 lows would have looked like a bull-market signal, although the July, 1943, high of 145.82 in the industrials would still have remained as an obstacle to calling the movement a resumption of the 1942-43 bull market. Now, however, the situation is that neither the rails nor the industrials have passed their bull market highs, reached last July in the case of industrials and this March in the case of the rails. Unless they do so, students of the Dow theory will begin to wonder if the bull market is over.

VICTORY LOAN BONDS

BELL, GOUINLOCK & CO.
LIMITED

MONTREAL TORONTO WINNIPEG

CANADIAN MUNICIPAL AND CORPORATION SECURITIES

F. H. DEACON & CO.
Business Established 1897
Members Toronto Stock Exchange
197 BAY STREET PHONE ELGIN 3401

WC PECO LIMITED

Stock Orders

In order to render a complete service to investors, we are affiliated with a Member of the Montreal Stock Exchange and Montreal Curb Market.

Through their facilities orders may be executed on any recognized Stock Exchange.

Telephone or telegraph us on your next stock order.

W. C. Pitfield & Company
Limited
MONTREAL

Montreal • Toronto • Ottawa • Halifax • Saint John • Moncton

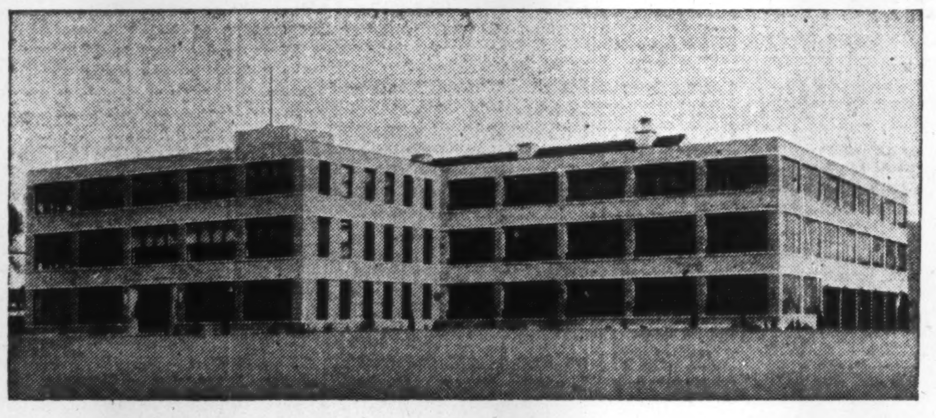
FOOD PACKAGING IN CANADA

CONTINENTAL CAN

Sales Story

Looking back over the past nine years, the men of Continental Can Company of Canada, Limited, may well feel proud. Today's sales are six times 1935's, employees are up from 200 to over 1000. Credit for part of Continental's swelling business in packers' (food) cans goes to Herbert Ratz (see cut). Working under Frank Whittall, V.P. in charge of all sales, indefatigable Ratz has beat the bushes spreading the gospel about Continental. Recently recognition came to Ratz; he was appointed sales manager for packers' cans.

HERBERT RATZ
From sales to sales manager . . .

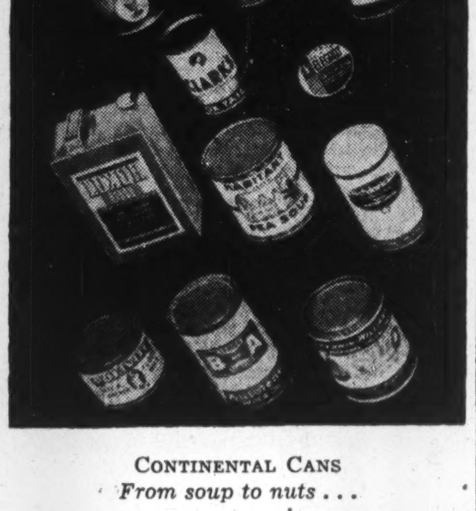


NEW NEW TORONTO PLANT
From little acorns . . .

But major credit for increased sales must go to such intangibles as: planning, service—things that don't just happen by accident. Wise planning kept Continental abreast of Canada's business growth. To the original can-making plant in Montreal were added three new plants: St. Laurent, New Toronto, Toronto, and two new warehouses: Trenton, Toronto. A network of sales offices was established in Montreal, St. Laurent, Toronto and Trenton, with additional representation in Western Canada—Ross Macdonald & Co. Sales areas now stretch from the Rockies to the Maritimes (see map) in a comprehensive set-up. Result: better and faster service for Continental customers, no matter what their special requirements and regardless of where they are located.

Toronto Story

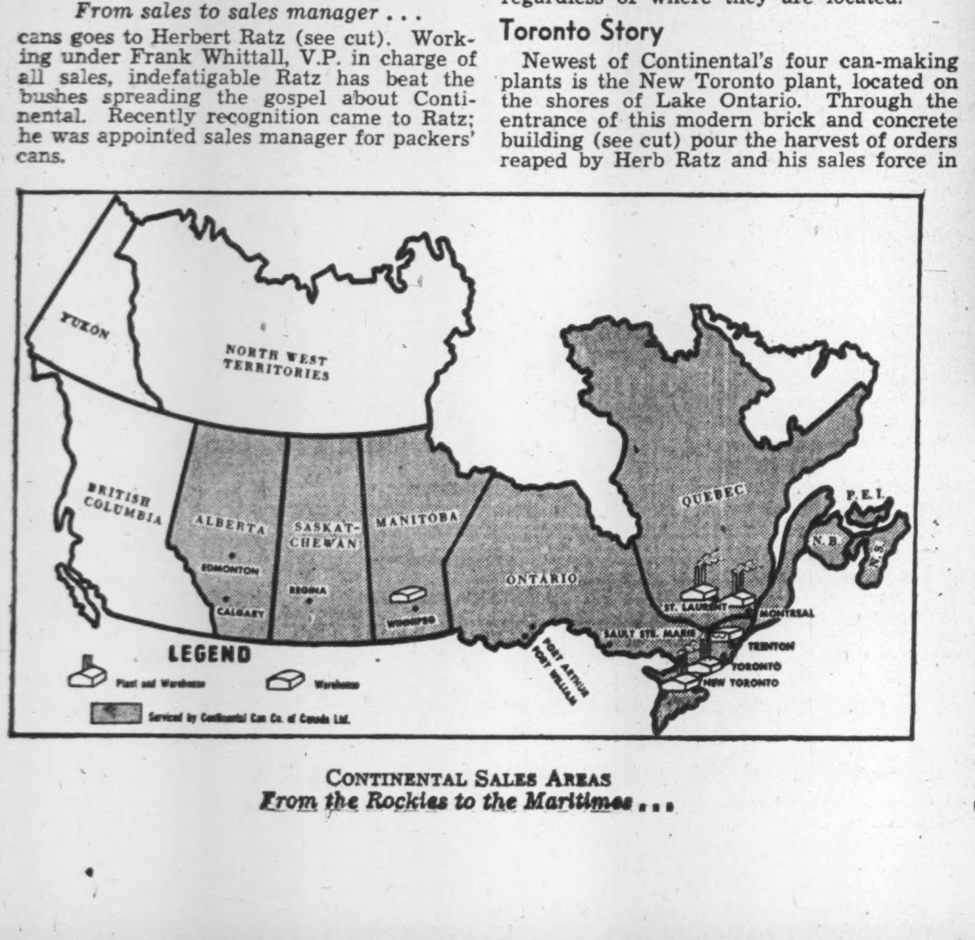
Newest of Continental's four can-making plants is the New Toronto plant, located on the shores of Lake Ontario. Through the entrance of this modern brick and concrete building (see cut) pour the harvest of orders reaped by Herb Ratz and his sales force in their unremitting drive for business. Behind the building, through the big enclosed train shed or onto the fourteen truckloading platforms, pour the long lines of shiny packers' cans in a full range of sizes eventually to contain anything from soup to nuts, a production pace accelerated from a standing start in an amazingly short time.



CONTINENTAL CANS
From soup to nuts . . .

The New Toronto plant is completely self-contained, can not only punch out cans at a high rate of speed (375 per minute and up per line) but has its own lacquer room, machine shop and cannery equipment service department, where customers' closing machines and other equipment can be reconditioned; a scope of service the trade has gone for in a big way. Serving customers* in Ontario and the Western Provinces, from small acorn, the New Toronto plant, supplemented by Toronto facilities, has now grown to big oak, covers 210,000 square feet, employs over 325 Canadian men and women.

*Address all requests to Continental Can Company of Canada, Limited, Sun Life Building, Montreal.



CONTINENTAL SALES AREAS
From the Rockies to the Maritimes . . .

NEW ISSUE

$5,000,000

General Steel Wares Limited

(Incorporated under the laws of the Dominion of Canada)

5% Cumulative Preferred Shares

(Par Value $100 per Share)

The 5% Cumulative Preferred Shares are to be fully paid and non-assessable; preferred as to dividends which will accrue from August 1, 1944, and as to capital; entitled to fixed cumulative preferential dividends as and when declared by the Board of Directors at the rate of 5% per annum payable quarterly (1st February, May, August and November) by cheque or warrant at par at any branch in Canada (Yukon Territory excepted) of the Company's bankers; redeemable at the option of the Company in whole at any time or in part from time to time by lot at 105% of the amount paid up on such shares and unpaid and accrued dividends thereon on 30 days' prior notice or the Company may purchase Preferred Shares for redemption in the market or by tender at prices not exceeding 105% of the amount paid up on such shares and unpaid and accrued dividends thereon and costs of purchase.

Transfer Agent: Montreal Trust Company, Toronto and Montreal.

Registrar: The Canadian Bank of Commerce, Toronto and Montreal.

In the opinion of Counsel these Preferred Shares will be investments in which the Canadian and British Insurance Companies Act, 1932 (Dominion) as amended states that Companies registered under it may invest their funds.

PRICE: $100 per Share.

It is expected that Trustee's Receipts in Bearer Form dated June 21, 1944 bearing interest at the rate of 5% per annum from that date to July 31, 1944, will be available for delivery on or about June 21, 1944. These Receipts will be delivered on June 21, 1944, at $100 for each Preferred Share represented thereby and thereafter until July 31, 1944 with accrued interest. The Trustee's Receipts are to be exchanged for definitive certificates for Preferred Shares on a date to be set by notice after August 1, 1944.

We offer these Preferred Shares if, as and when issued by General Steel Wares Limited and accepted by us, and subject to the approval of all legal details by Messrs. Montgomery, McMichael, Common, Howard, Forsyth & Ker, Montreal, as Counsel for the Company, and by our Counsel, Messrs. Blake, Anglin, Osler & Cassels, Toronto.

The right is reserved to reject any application or to allot a smaller number of Preferred Shares than that applied for.

A Prospectus, a copy of which has been filed under the provisions of the Companies Act, 1934, and amendments thereto, will be promptly furnished on request.

The Dominion Securities Corporation, Limited

Wood, Gundy & Company, Limited — Kerrigan, MacTier & Co., Limited — Nesbitt, Thomson & Company Limited

W. C. Pitfield & Company, Limited — McLeod, Young, Weir & Company, Limited — L. G. Beaubien & Co. Limited

Bell, Gouinlock & Co., Limited — Matthews & Company — Collier, Norris & Quinlan Limited — Burns Bros. & Denton Limited

Cochran, Murray & Co. Limited — Midland Securities Limited — R. A. Daly Co. Limited

The Editorial Page . .

Let's Make it Clear

In the proposed amendments to the bank act to provide for small personal loans up to $500 with repayment on an installment basis, would it not be possible to indicate clearly the rate of interest the borrower will have to pay.

The proposed subsection in the bank act dealing with this matter is complicated beyond all possible comprehension of the average borrower. It authorizes the bank to charge, take etc. discount or interest "at a rate which having regard to the term of the loan and the frequency of the installments does not exceed a rate of interest per annum equivalent to the rate resulting from a discount rate of 5% on a one year loan repayable in equal consecutive monthly installments . . ."

It has been explained by Mr. Ilsley that this is equivalent to an effective rate of 9¾%. Then why not let the act say so.

A person borrowing from the regularly licensed loan companies knows his loan won't cost him over 2% of his outstanding balance per month. But under the proposed legislation he appears to be borrowing from the bank at 5% and then will find himself paying 9¾%. Surely there is some way of making the matter clearer so the ordinary borrower will realize what his loan is going to cost.

Fare Cuts Undesirable

Report of record revenues by the Toronto Transportation Commission for 1943 has revived demands in certain political quarters for a reduction in car and bus fares. Arguing that surplus war revenue accumulated now will be needed for new equipment, improvement of services and emergencies after the war T.T.C. has rightly refused to listen to this demand. It should continue to do so.

Its annual report, reviewed and published in The Financial Post last week, points out significantly that the Commission was unable to buy a single streetcar or bus last year and that by the end of the war rolling stock and other equipment will be in serious need of repair and replacement. Actually, the T.T.C. in common with other utilities, is largely living on existing plant, which due to the heavy wartime load, and the impossibility of securing normal repairs and replacements, is depreciating abnormally fast.

Patriotically the T.T.C. is putting special surplus into war bonds against the day when war depreciation must be made good. Prudently it is building up special reserves from temporary wartime traffic gains to meet emergencies in the uncertain days after the peace. These reserves, capable of producing a great deal of much needed postwar employment, would be imperilled if the Commission were forced to heed the demands of a few shortsighted critics and grant a fare reduction which would be neither necessary nor appreciated at this time.

House Cleaning of Credit Selling

Judging by the response to The Financial Post query last week most authorities on credit selling are convinced that some modification of the business should be carried out before wartime restrictions are completely lifted. As to the exact time these government restrictions should be lifted, there is some difference of opinion but as to the necessity of guarding against overselling and high pressure methods after the war, there is none at all. Here are three typical informed opinions.

W. T. McGrew, Campbell Finance Corp.: "This nation's future hopes are geared to maintenance of mass employment (hence production) after the war, which requires mass consumption, which requires mass finance. Hence time payment control must be adjusted to the quantity of goods. Possibly manufacturers and retailers should not finalize their future production, price or selling programs without consultation with finance companies and credit men. These groups are sufficiently conscious of the national welfare to arrive at sound time credit conclusions without a Government referee."

* * * *

Sydney Levitt, President, Legaré Co.: "When these restrictions go I would favor strongly every step which would serve to protect the buyer on credit. Contracts should be liberalized in favor of the buyer, liens should be restricted, unjust repossessions should be banished. The purchaser's equity in the goods should receive greater protection. Under such conditions a merchant's urge to sell beyond his customer's capacity to pay would be removed and the abuses complained of before the war would disappear."

* * * *

Arthur P. Reid, Vice-president, Household Finance Corp.: "I doubt that the public will be willing to tolerate many of the conditions revealed by a close study of installment selling practices in the late '30's and 1940.

If new types of governmental regulations are to be avoided, a constructive installment selling plan which has a direct relationship to the production of consumer goods must be evolved by the trades themselves. Out of the recent past comes the spectre of "dealers packs," oppressive collection practices, signing of contracts in blank, revolving and endless chain liens, irregular and inequitable seizure and sales of goods under lien, carrying charges expressed—if at all—in a manner not easily understood, deceptive advertising, overloading and other non-social practices that must be corrected.

Unless a good house-cleaning job is done by the trades themselves, present trends indicate that public opinion may insist upon new legislative controls being imposed."

In normal times credit or installment selling is a vital and major cog in our economic structure. Without such a service it would have been impossible for most Canadian families to have purchased furniture, household appliances, automobiles, etc., in anything like the pre-war quantities. To maintain full employment after the war we will need a revival of credit selling again.

Unfair CBC Competition

In the House of Commons in February, 1938, Hon. C. D. Howe, stated that it was not the desire or intention of the Canadian Broadcasting Corporation to "obtain a revenue of over $500,000 from commercial sources." Mr. Howe was speaking as the Minister responsible for CBC, and he was confirming previous statements by both the chairman and the general manager of Canada's publicly owned radio network, who said that a gross revenue of approximately $700,000 annually would be all that was needed and contemplated.

For the year ended March 31, 1943, CBC's revenue from commercial advertising was just under $2.5 millions or more than three times the limit promised and a further increase is expected when CBC gets around to making out its report for the year ended March 31, 1944.

Despite repeated official assurance that CBC was not interested in the commercial aspect of radio, its record indicates exactly the contrary, so far as revenue is concerned. It seeks its commercial advertising on the same basis as privately owned networks in the U. S., but unlike them, and also unlike the privately owned publications in Canada which also seek advertising, it pays no ordinary provincial or federal taxes. Unlike its competitors again, it also takes a $2.50 annual fee from every set-owner in Canada, which fee was originally intended to meet all costs and give us radio programs in Canada untainted with the slightest commercialism.

Untaxed CBC, as pointed out in a brief presented by the Periodical Press Association at Ottawa last week, is speedily building up huge reserves for postwar development and emergencies, which taxed publication competitors are unable to do. As PPA points out to the special House of Commons Committee on radio broadcasting, "the time has come for the Government to reaffirm its position in relation to commercial revenues of the CBC. If the corporation is to be allowed to continue expansion of its commercial revenues without limit, a license fee of private radio set owners should be abolished (not raised,, as was erroneously reported in some early despatches from Ottawa) and the corporation made subject to the same taxes and restrictions which affect the press of Canada."

Cost Little — Worth Much

"Every man has a right to utter what he thinks truth and every man has a right to knock him down." So quoted Sir Frederick Williams-Taylor in a message to the spring convocation of the University of New Brunswick.

Sir Frederick, member of the London Advisory Board, Bank of Montreal, and associated with other Canadian institutions, is, as he described it, "a Canadian out of the New Brunswick kennel."

"Manners makyth man," the historic old legend of a couple of British universities, was the theme he was emphasizing. He said:

"The young man or woman with a pleasing manner familiar with the amenities of polite society, starts life's race with many points in his or her favor as against those with bad manners or void of manners. And mark well, good manners cost nothing, they can be acquired by the humbly born, by any normal person.

"With determination brains can be developed to some extent, but in the main they are congenital; to put it in other words any human can acquire good manners, but brains, no.

"With one or two exceptions it is open to question if any systematic effort is made by our colleges to cultivate good manners. Most of our private schools are different and there is much to commend in their practice but our high school attendants run wild.

"There is no servility in politeness. There is no cringe in saying 'Sir' to our seniors... Why should our colleges not introduce something of the kind into their curricula? Their present efforts—largely example, not precept—fall short."

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

How many women can we employ after the war?

Margaret McWilliams is Chairman of the Subcommittee on postwar problems of women of the Dominion Government Committee on Reconstruction. The following is a digest of her recent article in the Canadian Welfare Council's publication "Welfare."

Canadian women have, through their war work, gained for themselves status which they had not achieved before. In numberless cases they have proved themselves either more careful or more rapid workers than men. Women are no longer only members of a pool of unskilled labor from which employers may draw workers when needed more or less reluctantly.

The return of men from overseas will change the whole situation. Public opinion, the promises of employers to their employees who went on service, all mean that men of the forces will have their old positions back so far as they want them. No one—and least of all women—will dispute either the justice or the desirability of this. What is the unknown element is whether our men will want jobs of the kind they had before—of the kind that belong in the routine of a country's normal life.

Graham Towers, Governor of the Bank of Canada, has estimated that after the war some 4.7 million people will be available for work. This is 700,000 more than were gainfully employed in 1939. Based upon official figures at Jan. 30, 1943, there were 3,310,000 persons employed in industry with women filling one out of every three jobs. Some 600,000 women have been drawn into the ranks of the employed who were not working in June, 1939.

Provided always that their husbands have jobs, approximately one half of all the new women workers entering the field of war work, directly or indirectly, mean to resume or to enter the occupation of home making. In order to be on the safe side we have set the figure at 45% of the 600,000 new workers, or 270,000. The experts tell us that normal employment after the war will raise the figure of women workers required from the 600,000 it was in 1939 to 750,000. If this assumption be accepted we get this picture:

Women now working	1,200,000
Women required for normal employment at end of war	750,000
Surplus for women workers	450,000
Less women now working who will wish to leave employment	270,000
Surplus to be provided with jobs	180,000

This does not take care of the women in the forces numbering 38,000. A considerable proportion are married, but they will add probably 20,000 to the number seeking work. Thus we have a possible total of 200,000 women out of the 700,000 new workers who, according to Mr. Towers, must be supplied with jobs if we are not to have mass unemployment.

But this number of women seeking jobs will be much greater if two of the large areas of employment for women before the war are not made to draw their full share of the 750,000 women workers whom we think can be absorbed.

The first of these areas is that of household work which we hope will no longer be called domestic service. Taking in the workers in private houses and those listed as cooks, waitresses and housekeepers, the census of 1941 lists 242,000 women. The second area is that of women who were on the farms or in semi-rural communities, 100,000 of whom have been moved into industry.

Let us take the case of household work first. This is an area of work in which women are almost entirely the employers. It is a "safe" employment under good conditions. Yet we find the workers in it wanting to leave it. Why? The committee thinks that conditions of work and wages play a considerable part; that in many cases they need improvement. But the main cause lies in the conditions surrounding the employment; in the lack of any standards of work; in the lack of any training which makes a qualified worker; in the separation which has grown up between this group and other women workers. We think that training and the consequent standardization of their work will prove to be the key which will make household work an attractive employment.

In the second area—that of farm life and work, here also women can be of vital help though perhaps not so directly. The basic fact of the situation is that if young women are to be drawn back to farm life, that life must be made less arduous and more attractive. Many factors enter into the changes that must come before this end can be achieved. Only one will be spoken of here. After an adequate supply of good water, electricity is the greatest single aid to the woman on the farm. Before she can have this there must be a great extension of rural electrification. The thing that stands chiefly in the way of this extension is the cost which often appears prohibitive.

Other People's Views . . . . .

The Canadian Editorial of the Week

Heading for the Ashcan

Globe and Mail

The Minister of Labor lapsed to a philosophical turn of mind in the House of Commons a few days ago when he evidently forgot about practical politics. "And remember this," he said, "that any State which started out to kid the people that it was giving away something for nothing has ended up in the ashcan." . . . "One could read the history of Carthage, Rome, Greece, the history of other civilizations and nations." . . . "They flourished and decayed." . . . "Whether you like it or not, anything and everything that is paid by the State is a charge on the living standards of the people of the Dominion or any other nation."

This, of course, is sound sense, although Mr. Mitchell would have been more definite by leaving "the State" out of it and speaking of a party-minded Government. The State doesn't kid or spend, but Governments and parties do.

Mr. Mitchell must have heard about the great doses of supplementary estimates that are usually rushed through Parliament in the last session before an election. He has heard of new postoffices and other public buildings, which the people are told "the Government will pay for."

It is refreshing to hear the Minister say anything and everything paid by the State is a charge on the living standards of the people, especially at a time when the State's present trustees and their fear-inspiring opponents, the Socialists, are in a desperate contest to outdo each other in promising "something for nothing." Both are undertaking to pay all the bills "from the cradle to the grave." Both are kidding the people. Only the Minister of Labor is frank enough to admit that everything paid in this way comes out of the living standards of the people.

Most people are willing to give up earnings from one third, one half or three quarters of their time to enable the State to win the war, but they will not be kidded into doing this in peacetime to help a political party make itself a good fellow. They accept the charge on their living standards now, but do not expect to continue it. Mr. Mitchell is to be commended for his warning about the dangers of the ashcan, the place where a nation lands when its Government eliminates individual thrift.

Stop Me If . . . . .

Two American privates approached a British major general in a London blackout and asked the way to West Kensington. Since the general was also travelling in the same direction, the three hailed a taxi. They proceeded in the inky darkness, the Yanks, of course, having no clear notion of their informant's identity. At their destination the Americans insisted on paying the fare.

The general protested, "I'm senior to you."

"You may be," said one of the American privates, "but you don't get as much pay."

* * *

As Others See Us . .

Must Watch Our Step

Picton Times

K. R. Wilson in The Financial Post says: "Canada will have to work hard to maintain a big market for her bacon in Britain after the war."

While Britain appreciates our efforts in stepping up bacon production, it is foolish to think that the British market is going to keep Canadian bacon on that record.

Mr. Wilson states that two years after the war is concluded the Danes will be in the market again in a big way.

It is claimed that Denmark will always have the edge on Canadian bacon so long as our export bacon comes from grain-fed hogs, as Danish bacon is a complementary of the dairy industry. Danish bacon is claimed to be more uniform and of better flavor, because it is tied closely to the butter industry and can make use of dairy products, such as skim milk.

This "better flavor" is questioned by Canadian bacon raisers. If Canadian bacon is delivered in as fresh a stage as Danish, it is claimed the flavor will be as satisfactory.

Canada must produce a high quality bacon and be able to supply the demand, but it is a certainty that to keep the British market we will have to purchase goods in exchange.

* * *

Myth of War Profits

Sault Daily Star

"Exploding the Myth of War Profits" is the title given to a highly informative article in a recent issue of the Toronto Financial Post which tells in some detail how the increased earnings of industrial and financial corporations in Canada, resulting from the war, are being siphoned off into the national treasury to pay for fighting the war.

It groups together the financial statements of 105 major Canadian firms and points out that since the outbreak of war their net profits have declined by 12%, while in the same period their taxes have increased by almost 300%.

That the firms included in this survey are fully representative of Canadian business is shown from the fact that they include nine banks, seven beverage concerns, seven construction firms, four foodstuffs firms, 22 iron and steel concerns, nine merchandising firms, 12 miscellaneous, five dealing in oils, 14 public utilities, five pulp and paper concerns and eight textile concerns.

No one seems to be making a fortune out of the war this time.

* * *

Sayings of the Week

"Only man knows that things are getting worse. The birds wake up and sing every morning, and the animals begin anew with each rising sun."—*Chas. F. Kettering.*

* * *

"It would take all the 10,000 architects in private practice five years to prepare plans for reinstating the bomb-damaged buildings of London."—*Walter O. Hudson, secretary Institute of Registered Architects, London.*

Cartoon by Grassick

GOING TO BE A BIG GAP IF WE DON'T MOVE FASTER

Post-Scripts . . . .

To Push Forestry

An efficient organizer and hard-headed businessman was needed this year by the British Columbia branch of the Canadian Forestry Association, and that probably had much to do with the election of W. F. Stewart as president. He is managing director of W. H. Malkin, Ltd., wholesale grocers, Vancouver, and generally regarded as one of the most progressive and enterprising executives in that field.

MR. STEWART

The new president takes office with the Canadian Forestry Association at a time when it is beset by many problems.

British Columbia's forests are the most extensive in Canada and no other province in Canada depends so much on the forests as a source of livelihood. Ever since the beginning of commerce in the North Pacific, timber has played its important role in the trade of British Columbia, and the province's economy is so dependent on continued revenues from the logging camps, sawmills, pulp and paper mills and plywood factories that the Hart government recently initiated a thoroughgoing inquiry to chart a future program to maintain the forests' productivity in perpetuity.

The Canadian Forestry Association by itself cannot hope to do more than lend effective assistance to the services already established by the government and the industry for the protection of the province's forest resources, but its field there is a broad one. The association long ago organized an efficient band of Junior Forest Wardens, recruited from the ranks of school boys, who each summer have helped in patrol work and other duties associated with forest protection.

This year, for the first time, the association is mobilizing "green guards"—school girls who share an interest in forest conservation. They will serve as an auxiliary this summer as volunteers in fire "spotting" and protection. More than ever before these volunteers will be needed this year because of the shortage of manpower in the woods, accentuated by the recent action of the Canadian government in withdrawing Mennonite conscientious objectors from forest service to work on prairie farms.

All this will call for a high degree of organizing skill, and Stewart is believed to be the man for the job. Born in Ailsa Craig, Ont., he was appointed manager of Western Grocers, Ltd., at Edmonton in 1917, retaining that post until 1931 when he was named to the head office staff of the company at Winnipeg. He held that post until 1938, when he was appointed managing director of W. H. Malkin Co., Ltd.

Apart from his other duties, Stewart has been active in Board of Trade and community service ever since making his headquarters in the British Columbia city.

Heads Canadian Clubs

Taking over the presidency of the Association of Canadian Clubs this week, by Paul McFarlane, vice-president of Bell Telephone Company of Canada, is the culmination of 28 years intimate contact and interest in this, now nation-wide, movement.

MR. McFARLANE

Mr. McFarlane became a member of the Canadian Club of Montreal in 1916. Later he served on the executive, and then vice-president and in 1941, as president.

This adds to an interest in the national body with which he has been associated since 1938. At Ottawa last Tuesday he assumed the presidency from Senator Norman Paterson who has held that office for the past two years.

It was appropriate that at the Canadian Club dinner meeting the night before his election, the speaker was Hon. Leighton McCarthy, Canada's Ambassador at Washington and the subject "Canadian citizenship." This is a subject very near to Paul McFarlane's heart, one of the chief reasons he is interested in the Canadian Club movement. He is convinced that Canada's great heritage and the gift of her citizenship are not to be taken lightly. He hopes to bring together increasingly through the Canadian Club movement a better understanding of that citizenship and a better appreciation of what citizenship means.

Paul McFarlane was literally brought up in the telephone business. His father was a Bell pioneer, and young McFarlane's first job was putting up telephone poles near North Hatley, Quebec. He has spent over 40 years with the Bell Company, having moved up through the plant, engineering and operating departments to the top.

Born and raised in Montreal, McFarlane is still a few years the lower side of 60. In addition to his interest in the Canadian Club he has been prominently associated with many other civic and national movements including the Canadian Chamber of Commerce, Federated Charities, Board of Trade and the Victory Loan drives. He is married and has three children.

* * *

Energetic

The new principal of University College, Toronto, and assistant president of the University of Toronto. Dr. Sidney Earle Smith is a very energetic man with very energetic ideas. At 47—10 years older than when he became president of the University of Manitoba—he still gives one the impression of a man with a mission, the mission of implementing a dynamic philosophy.

Some liken Smith in appearance to a Roman Senator, others to a typical Canadian businessman who would be recognized as the prototype of any man who had made a successful career in Canadian business at a relatively early age. He is robust of physique and personality. He is a good mixer; a sportsman whose favorite recreation is fishing. He is not at all like anyone's preconceived idea of a University president.

However, Dr. Smith's whole philosophy, as he has expressed it, is intimately concerned with the education of Canada's youth for their part in the building up of the nation.

Not by any means indifferent to the bookish part of learning, he is essentially concerned with the human element and the adaptation of book-learning — as it used to be called — to the shaping of that element as a vital part of the nation.

So he has on numerous occasions advocated the revamping of the matriculation course to prepare students better for the type of work their native ability intends them. Stereotype matriculation courses for all manner of youth does not appeal to him.

He is also intensely concerned with the shaping of Canada as a nation with a minimum of parochial divisions. "I do not believe," he said on assuming the presidency of Manitoba U, "that I place the claims of the teacher too high when I state that his task, in assisting to break down provincialism and in creating a national vision, is second to none."

It may be that this conception of Canadian nationhood has made him preeminently persona grata in Quebec. He has always expressed his belief that the rest of Canada should try to get along with Quebec, and that if the rest tried more intelligently, it might have better success.

For this reason his name has been connected several times with political events. A Conservative, he has been mentioned as possible leader of that party on two occasions; once immediately after the defeat of R. B. Bennett, and again at the Progressive Conservative party convention in Winnipeg in 1942. At that convention, the Quebec delegation was particularly strong in its support of him. But he has never shown any great desire to leave his vocation to enter the political field however.

Dr. Smith is a specialist in the subject of law and often has been called upon to apply this specialized knowledge to the service of the country. He was admitted to the bar of Manitoba shortly after he went there in 1934.

Dr. Smith's interest in the youth he serves has been recognized outside his immediate field. In 1942 he was elected president of the National Conference of Canadian Universities. He has been connected prominently with the Y. M. C. A., and has served as an executive.

Born in Port Hood, N.S., Dr. Smith was educated at Port Hood Academy, King's College, Dalhousie University and Harvard. In the last war he served with the 9th Canadian Siege battery from 1916-18 and the RAF in 1918.

* * *

New Books

Our Export Trade

CANADIAN TRADE INDEX 1944 EDITION. Published by the Canadian Manufacturers' Association, Toronto.

Since 1924 the Canadian Trade Index published by the Canadian Manufacturers' Association has been an annual publication. Its carefully classified list of Canadian products, and where they may be obtained has proved of great value to buyers both in and outside of Canada.

Of particular importance at this time when postwar export markets are looming strongly in the limelight, is the fact that hundreds of copies of the 1944 publication are being distributed through the Department of Trade and Commerce to trade prospects throughout the world.

The special export section of the 1944 edition includes detailed information on the work of the Commercial Intelligence Service; what assistance Canadian Trade Commissioners abroad can be expected to furnish; the special wartime function of the following organizations: Export Permit Branch, Canadian Shipping Board, Shipping Priorities Committee and the Foreign Exchange Control Board.

* * *

"In our commercial plans for the postwar period nothing should take precedence over our effort to find ways and means of preserving, even in face of new conditions that will prevail, the greatest possible outlet in Great Britain for the products of Canadian agriculture and industry."—*Hon. J. A. MacKinnon, Minister of Trade.*

The Financial Post

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A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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Power Rate Reductions In Que. Total $3 Million

Privately-owned Companies Cutting Tariffs for Smaller Users — to Affect Tax Payments, Little Change in Earnings

From Our Own Correspondent

MONTREAL.—Following rate reductions in the Montreal area by Quebec Hydro (which recently took over the physical assets of Montreal Light, Heat & Power Consolidated), the Quebec Public Service Board has announced approval of rate revisions by privately-owned power companies operating in other sections of the province. Total savings to smaller consumers of power in the province, as result of the rate revisions, is estimated at $3 millions, made up of $1 million for customers of the privately-owned companies, and $2 millions for customers of Quebec Hydro.

The rate changes will result in reduced tax payments to the Dominion Treasury, but are unlikely to have much effect on retainable net earnings (after taxes) of the privately-owned companies. The new rates go into effect June 15.

Shawinigan Water & Power Co., Quebec Power Co. and Saguenay Electric Co., already have announced rate revisions, in addition to Quebec Hydro, while Gatineau Power Co. also has prepared a schedule of new rates, but Public Service Board approval has not yet been announced.

The rate reduction by Shawinigan apply to all districts served by the company for three classes of services: domestic, commercial and small industrial customers using less than 250 h.p. Quebec Power Co. has not only reduced its rates in these classes of service, but has introduced uniformity of rates for the suburbs of Quebec, Levis and the Montmagny district, and has reduced its service charge to 22 cents from 33 cents.

In Three Rivers and district, for instance, the new domestic schedule will be: service charge, 22 cents a month, first 50 kw.h., 2.8 cents per kw.h.; the following 150 kw.h., 1.5 cents per kw.h.; remainder, 0.9 cents per kw.h., with a minimum of 75 cents monthly. Commercial rates will be: installation, 30 cents per kilovolt ampere per month; first 100 kilowatt hours per kilovolt ampere, 2.6 cents per kw.h.; next 100 kw.h., 1.8 cents per kw.h.; remainder, .05 cents per kw.h., with minimum of 75 cents.

New rates also have been announced, by Quebec Hydro, for smaller industrial users in the Montreal area. Under revised schedule, for instance, a user of 400 hours per month of 20 h.p. will pay only $61.78, as compared with a previous rate of $85.77. A user of 50 hours monthly of 5 h.p. will pay $8.17, instead of $10.29 as at present.

DIRECTOR

Winston McQuillin, Toronto, newly elected director of the Cockfield, Brown & Co., Ltd., advertising agency. Mr. McQuillin came to the firm at Winnipeg in 1930, and since 1936 has directed the agency's radio department from Toronto.

The Week in Business

	May	Apr.	Mar.	Feb.	Year Ago
Financial Post Production Index	....	260.9	263.5	264.1	257.3
National Income, D.B.S. (c)*	....	....	734	716	725
Dom. war expend. (million $)	....	303.4	....	238.1	136.9
Dom. total revenue (do.)	....	165.6	....	227.7	177.8
Dom. total expend. (do.)	....	389.9	....	552.0	169.5
▪Dept. store sales index no.	....	174.0	174.0	156.3	153.5
▪Retail sales index no.	....	175.3	177.4	172.0	162.9
▪Wholesale sales index no.	....	171.5	189.0	165.9	163.8
▪Country store (% change pr. yr.)	....	+11.0	+11.5	+11.6	+14.5
Divd. payment index♦	128.4	128.0	127.9	127.8	122.7
Bank deposits (1935-39=100)	....	187.5	181.0	183.4	163.8
Cash and cheque pay index	....	184.3	192.8	165.4	162.0
Bank debits (1935-40=100)	....	175.4	188.8	172.4	156.6
Money supply (c)	....	526.0	5,072	5,108	4,530
NEWSPAPER % OF CAPACITY—					
Production ratio	....	....	65.6	67.4	64.2*
Shipment ratio	....	....	60.3	63.9	64.6
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	209.3	217.5	206.4	204.8
Cars (D.B.S. index)	....	146.1	156.7	158.3	144.1
COST OF LIVING—					
▪D.B.S. index	119.2	119.1	119.0	118.9	118.1
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	181.9	183.2	181.4
Manufacturing	....	....	226.5	227.3	223.4
Payrolls (June 1/44=100) (b)	....	....	149.1	148.1	143.0
Payrolls (1937=100) (a)	....	....	227	209	229

	1944	1943	1944 Jan. 1 to date	1943	Change %
RAILWAYS—					
▪Carloadings (week May 27)	67,967	62,336	1,440,647	1,313,357	+9.6
▪C.P.R. gross (week May 31) $	9,292,000	8,236,000	127,917,444	111,533,000	+14.6
C.N.R. gross rev. .. (Apr.) $	34,993,000	38,444,000	139,821,000	134,151,000	+4.2
C.N.R. net rev. .... (Apr.) $	6,718,000	9,334,000	25,410,000	26,814,000	—5.2
C.P.R. gross rev. ... (Apr.) $	25,753,427	24,045,596	100,601,420	87,328,253	+15.2
C.P.R. net rev. .... (Apr.) $	3,904,566	3,790,870	13,671,599	12,468,312	+9.7
IRON AND STEEL—(April)—					
Pig iron production (tons)	170,364	150,486	612,417	565,154	+10.1
Steel production .. (tons)	260,825	264,357	1,008,402	987,915	+2.0
CONSTRUCTION—					
Contracts awarded (Apr.) $	27,696,600	16,047,300	83,727,800	58,161,200	+43.9
Building permits .. (Apr.) $	12,059,045	7,538,481	29,439,254	18,535,738	+58.9
Cement prod., bbls. (Mar.)	273,049	437,333	650,901	1,009,234	—35.5
AGRICULTURE—					
▪Flour prod. bbls. .. (Apr.)	1,948,537	2,057,355	8,344,742	8,204,158	+1.7
Cattle sales• .... (Apr.)	99,400	84,680	402,476	314,254	+28.1
Hog sales• .... (Apr.)	785,090	631,813	3,606,706	2,155,323	+67.3
SEA FISHERIES—‡					
Catch cwts. .... (Apr.)	338,129	296,601	1,779,270	1,733,675	—2.9
Landed value ...... (Apr.)	1,768,272	1,665,654	5,295,495	4,400,378	+20.3
NEWSPRINT—					
Production, tons .. (Apr.)	236,353	229,573	971,108	931,779	+4.2
Exports, tons ...... (Mar.)	216,773	232,385	623,917	639,764	—2.4
MINING AND OILS—					
Coal prod., tons .. (Mar.)	1,549,092	1,688,463	4,635,458	4,826,631	—3.9
Gold rec. (fine oz.) (Apr.)	263,092	348,908	1,024,617	1,312,045	—21.9
▪Petroleum prod.° brl. (Mar.)	770,621	861,079	2,269,922	2,501,867	—9.2
ELECTRICAL POWER OUTPUT—(April)—					
Total monthly 1,000 kw.h.'s	3,270,098	3,276,544	13,612,025	12,800,342	+6.3
FOREIGN TRADE—♦					
▪Imports .... (Apr.)	137,487,106	150,698,520	553,012,193	538,528,983	+2.6
▪Eports .... (Apr.)	286,680,417	229,077,180	1,052,880,035	783,657,040	+34.2
OTHER INDUSTRIAL FACTORS—					
Shoe prod., pr. ... (Mar.)	3,340,343	3,173,967	9,008,825	8,594,359	+4.8
Cotton consump., lb. (Apr.)	14,223,460	15,899,807	59,542,057	64,587,318	—7.8
Cigarette cons. No.† (Apr.)	681,668	986,666	3,703,189	3,858,883	—4.0
FINANCE—					
Bank debits† .... (Apr.) $	4,561,261	4,070,712	18,059,045	15,694,066	+15.0
Bond sales† ...... (Mar.)	737,528	378,947	991,852	1,120,282	—11.4
Life insurance sales (Apr.) $	53,464,000	51,104,000	218,799,000	178,674,000	+22.5

‡Unrevised figure covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
•Total at yards and plants. ▪New items for week.
♦Supplied by Nesbitt Thomson & Co. (c) 000,000's omitted. ♦Gold excluded
(a) Compiled by Canadian Bank of Commerce (b) All industries.
*Estimated. °Excluding Northwest Territories.

Sale of "Power" Shares To Quebec is Favored

Norris Points Out Advantages Over Expropriation of Only Physical Assets — Asks Unity Among Stockholders

From Our Own Correspondent

MONTREAL. — The directors of Montreal Light, Heat & Power Consolidated "are fully alive to the many advantages to the shareholders of the direct purchase of their shares rather than the expropriation of the physical assets of the company," states John S. Norris, president, in a letter to stockholders, outlining the position of the stockholders under recent Quebec Government expropriation legislation, and suggesting possible developments.

"In the meantime," continues the statement, "too great emphasis cannot be laid upon the fact that the shareholders of Montreal Light, Heat & Power Consolidated are in the position of unpaid vendors of a large and very valuable enterprise for which they are entitled to receive, and have been promised, a fair and reasonable price; and that the continued active interest and support of the shareholders and their co-operation are essential to success in the efforts of the directors to secure for them a fair and adequate compensation."

Without referring directly to the new independent "Shareholders' Committee of Negotiation," which has been active recently in discussions with Quebec Government officials, Mr. Norris warns:

"It is most important that there be no division in the ranks of the shareholders, and your directors recommend that the most careful scrutiny be given to any suggestions put forward with a view to independent action on the part of any group of shareholders."

The statement insists that any reply, to refute "unwarranted criticisms" of the past administration of the affairs of the company, if issued at this time would only provoke unnecessary controversy and this would not be to the best interests of the shareholders.

This evidently refers to recent charges of Provincial Treasurer Mathewson that the Montreal Power management lost $15 millions of the stockholders' money in the New York stock market.

Although official comment on these charges has been lacking, informed quarters close to the management have maintained that the Mathewson statement, made on the eve of an election campaign, evidently referred to a "paper loss" in the 1930's of approximately this amount in the company's investment holdings—for which reserves were set up at the time—but, it is insisted, there was no actual loss, as the securities weren't sold, and the market recovery since then has completely eliminated this "paper" loss and the reserves set up have been found unnecessary. Also, it is contended the management can—and may later—point to a saving to stockholders of some $30 millions through elimination (by refunding in Canada and use of cash resources) of New York-payable debts, before the Canadian dollar went to a discount in New York; and in addition can—and at the proper time may officially—point to ever larger savings through power purchase contract revisions, accomplished some time ago.

The Norris statement calls attention to the fact that the expropriation legislation stipulated that an offer was to be made by the Government for the company's physical properties within 60 days—or by June 13—and reports that no offer has yet been received by the company. Any offer received will be submitted to the stockholders for acceptance or rejection. If the shareholders refuse to accept the offer of the Government, made through the new Quebec Hydro-Electric Commission, the determination of the amount of the indemnity will be turned over for decision to the Public Service Board. This Board's decision, in turn, may be appealed by either party to the highest courts.

Study Value of Properties

The statement points out that the Public Service Board has made a study of properties used for electricity production, but has made no study whatever of valuation of gas properties, which have now been ordered expropriated. The company itself has been making a thorough study on valuation of all properties.

(Although the statement makes no mention of the time element required for thorough study of value of all properties, it has been estimated that a government investigation of value of gas properties might require two or three years.)

Regarding possible dividend policy Mr. Norris says:

"Under all the circumstances, the shareholders will appreciate that it is impossible for the board to indicate now any definite policy with regard to the distribution of dividends. The matter will, however, be kept constantly before the directors whose policy will be to distribute to the shareholders such dividend payments as are warranted by the conditions existing from time to time."

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

Department of Munitions and Supply—A. E. McMaster appointed associate co-ordinator of controls of munitions and supply and liaison officer with the department of labor.

B. C. Sugar Refining Company Ltd.—Alan M. Robertson elected a director.

National War Services—Fulgence Charpentier, chief censor of publications, appointed deputy director of censorship.

Beaver Products Co., Ltd.—Paul E. Chales, formerly sales manager, named director in charge of sales.

L. G. Beaubien & Co., Ltd.—Hon. C. P. Beaubien elected chairman of the board; Gerald G. Ryan, president; and J. D. Herdt, first vice-president.

Canadian Cottons Limited—D. A. Campbell and Joseph Dolphin elected to the Board of Directors.

Royal Society of Canada—Dr. J. K. Robertson, head of physics department at Queen's University, elected president.

Edmonton Chamber of Commerce—W. Leonard Aldridge named president of the Junior Chamber.

Cockfield, Brown & Company Ltd—A. E. Wright and Winston McQuillin were appointed to the board of directors.

Food Distributors Association—J. O. Heroux, formerly of WPTB regional food division, named assistant manager of the Food Distributors' Association of Quebec.

Canadian Dredge & Dock Co. Ltd.—A. M. German, Toronto, elected president and general manager; other officers: D. E. Phin, vice-president; T. C. Luke, secretary-treasurer. The following were elected to the Executive Committee for the coming year: A. M. German, D. E. Phin, D. Lorne Pratt, J. McL. Stephen. Board of Directors: Hugh N. Baird, Montreal; A. M. German, Toronto; D. I. McLeod, Toronto; Charles R. Redfern, Toronto; F. M. Ross, Montreal, and J. McL. Stephen, Montreal.

University of Toronto—Prof Edgar Alfred Allcut, a member of the University of Toronto staff since 1921, appointed head of the department of mechanical engineering in the Faculty of Applied Science and Engineering.

Boyle-Midway (Canada) Ltd.—Harold E. Sanderson elected president and general manager.

League of Nations Society—Walter D. Jones, Toronto, elected president; Senator L. M. Gouin and Malcolm Wallace were named vice-presidents, with Hon. J. D. Hyndman honorary treasurer and Dr. H. J. Keith national secretary.

B. C. Power Corporation—Dr. A. E. Grauer, secretary, B. C. Electric Railway Co., elected vice-president of the B. C. Power Corporation.

Aeronautical Institute of Canada—R. W. Richards, general sales manager of The Goodyear Tire & Rubber Co. of Canada Ltd., elected president.

Canadian Dietetic Association — Miss Charlotte Large, Montreal, appointed president.

Begg Motor Co. Ltd.—A. J. Lawson Oates, formerly secretary-treasurer, appointed general manager.

National Grocers Company Ltd.—A. J. Major, Ottawa, elected chairman of the board; H. L. McNally, president and general manager; Morley D. Lemon, vice-president; T. H. Kinnear, secretary-treasurer; R. H. Bainard, assistant secretary-treasurer and comptroller.

Thornton Purkis Advertising Agency—Lieut. William Thornton Purkis, and Gladys Race, named to partnerships.

National Construction Council—John W. Gooch, Toronto, representing the Canadian Construction Association, elected president; Maj. G. M. Thomson, Montreal, the Canadian Paint, Varnish and Lacquer Association, first vice-president; Ernest Ingles, London, Trades & Labor Congress of Canada, second vice-president; L. L. Anthes, Toronto, Canadian Manufacturers' Association, honorary treasurer. Executive committee (including immediate past president—A. S. Mathers): D. C. Tennant and Dr. J. M. R. Fairbairn, Engineering Institute of Canada; Burwell R. Coon and Gordon M. West, Royal Architectural Institute of Canada; H. C. Nicholls, president of the Canadian Construction Association; and G. P. Wilbur, Canadian Institute of Steel Construction; I. Markus, secretary.

Associated Equipment Distributors of Canada—T. F. Just, Montreal, Just Equipment and Supply Co., president; James F. Crothers, Toronto, George W. Crothers Ltd., past president; W. J. Kane, Winnipeg, Kane Tractor & Equipment Co., first vice-president; M. L. Baxter, Toronto, second vice-president; George E. I. May, Toronto, General Supply Co. of Canada, honorary secretary and treasurer; E. C. Neville, Toronto, executive secretary.

Building Products Ltd. — C. P. Cowan, a vice-president, appointed general manager.

Pacific Coast Terminals Co. has appointed Montreal Trust Co., Vancouver, as registrar, transfer agent, and dividend disbursing agent. First dividend was paid by the company on April 15, 1944.

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Announcement

I am pleased to announce that Miss Gladys Race, an executive of this business for many years, and my son, Lieutenant William Thornton Purkis (R.C.A. Overseas) have been admitted to limited partnership in this firm as and from June 1, 1944.

THORNTON PURKIS

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New Issue

General Steel Wares Limited

5% Cumulative Preferred Shares. Par Value $100
Price: $100 per Share

The following figures indicate, in part, the improvement in the Company's financial position from 1939 to date.

Reduction in Funded Debt	$4,678,000
Reduction in Annual Funded Debt and Preferred Stock Charges	295,564
Increase in Gross Earnings	848,676
Increase in Profits before Income and Excess Profits Taxes	314,806

A prospectus fully describing this issue will be mailed upon request.

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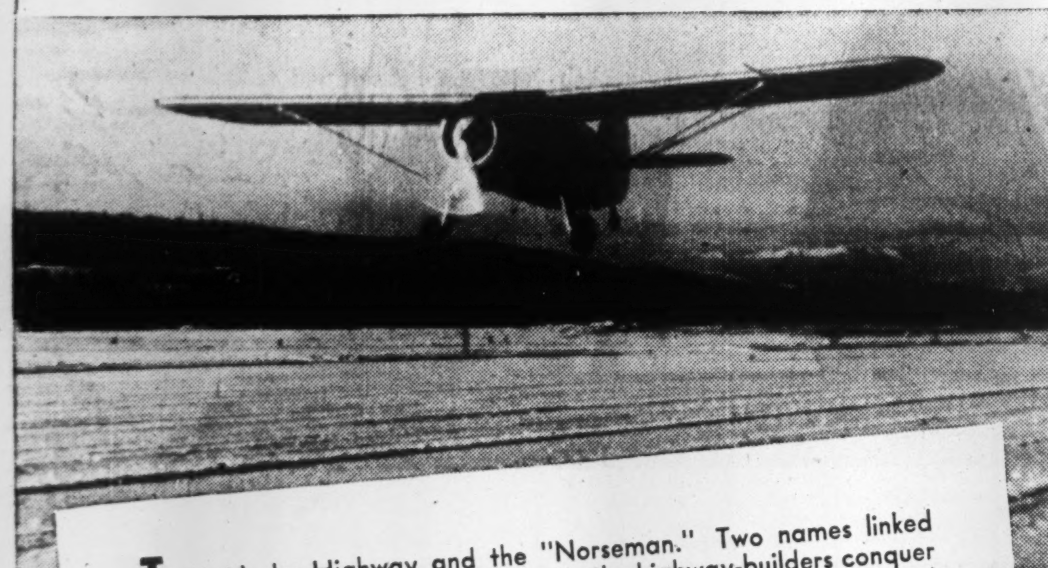
Air Arm...
Over the Alaska Highway
the NORSEMAN



THE Alaska Highway and the "Norseman." Two names linked together in a gigantic task which saw the highway-builders conquer untold difficulties.

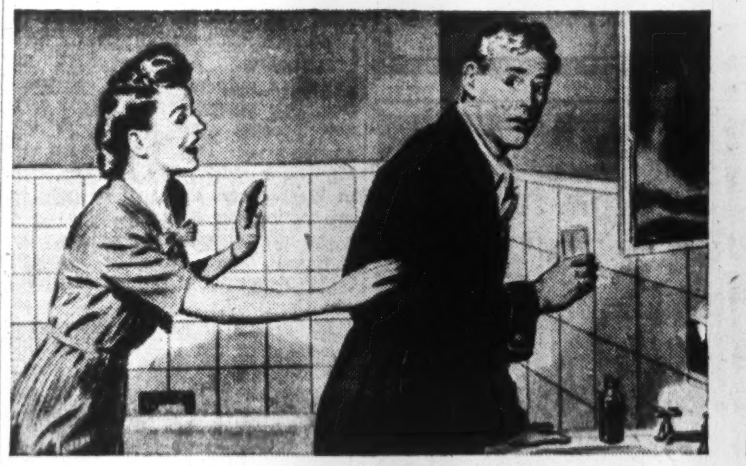
Norseman planes, designed and built in Canada, played a big part in that conquest. With every mile of progress, they provided "eyes" for the engineers . . . food for the army of workmen . . . materials . . . transportation. Here was a plane made to order for the job . . . for the country. A plane for small, rough landing surfaces . . . for short takeoffs . . . big loads . . . for ready conversion to skis, wheels or floats.

Here is a Canadian-made plane that delivered the goods.

Today, Noorduyn's entire capacity is devoted to the wartime demand for Norseman transports and Harvard advanced trainers. In the peace to come, that capacity will be turned to new and greater Norsemen . . . to further development of the North.

NOORDUYN AVIATION
LIMITED
MONTREAL

Stomach-ache or Appendicitis?
–it's not for you to say



DON'T DO THIS: If you have an unusual abdominal pain—don't take laxatives or home remedies; don't take food or liquids, except water.

WHY NOT? Your appendix may be inflamed. If so, burdening the intestines with food, or taking a laxative might rupture the appendix and spread infection—the cause of most deaths in appendicitis. These serious complications are four times as frequent among patients who have taken laxatives.

DON'T DO THIS: Don't try to go about your business. Don't rub the spot that hurts, or apply an ice bag or hot-water bag.

WHY NOT? Physical exertion or massaging may be dangerous if the appendix is inflamed. Heat or cold might kill the pain and give you the mistaken idea that the attack has passed. Of course it may be "only a stomach-ache." But that's not up to you to decide.

DO THIS: If the pain is puzzling and persistent, if it's accompanied by nausea or vomiting, call a doctor—and call him at once—instead of attempting to prescribe for yourself.

WHY? Only a doctor is qualified to say whether you have appendicitis. He may want to take one or more blood-cell counts, watch your temperature, and wait for pain to localize. Chances are it *isn't* appendicitis. If it is, and the doctor advises an operation, quick action may save life, time, and money.

DO THIS: Rest in bed until the doctor comes.

WHY? If you *do* have appendicitis, complete rest may help prevent serious complications. Thus you'll benefit yourself, and conserve your doctor's time—time on which the war places heavy demands. Prompt attention, together with the recent advances in medical science, have reduced by half the deaths from appendicitis in the past few years.

TO EMPLOYERS: In order to prevent serious complications from appendicitis, everyone should be familiar with the facts presented above.

On request, Metropolitan will gladly send you enlarged copies of this message for posting on plant or office bulletin boards. Write to the Canadian Head Office, Ottawa.

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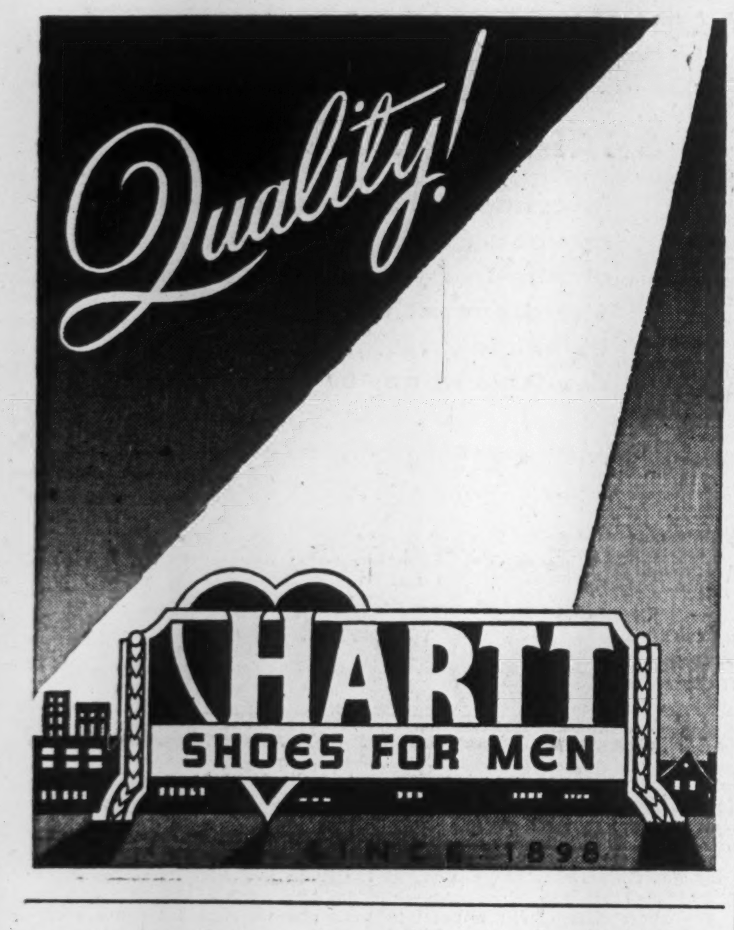

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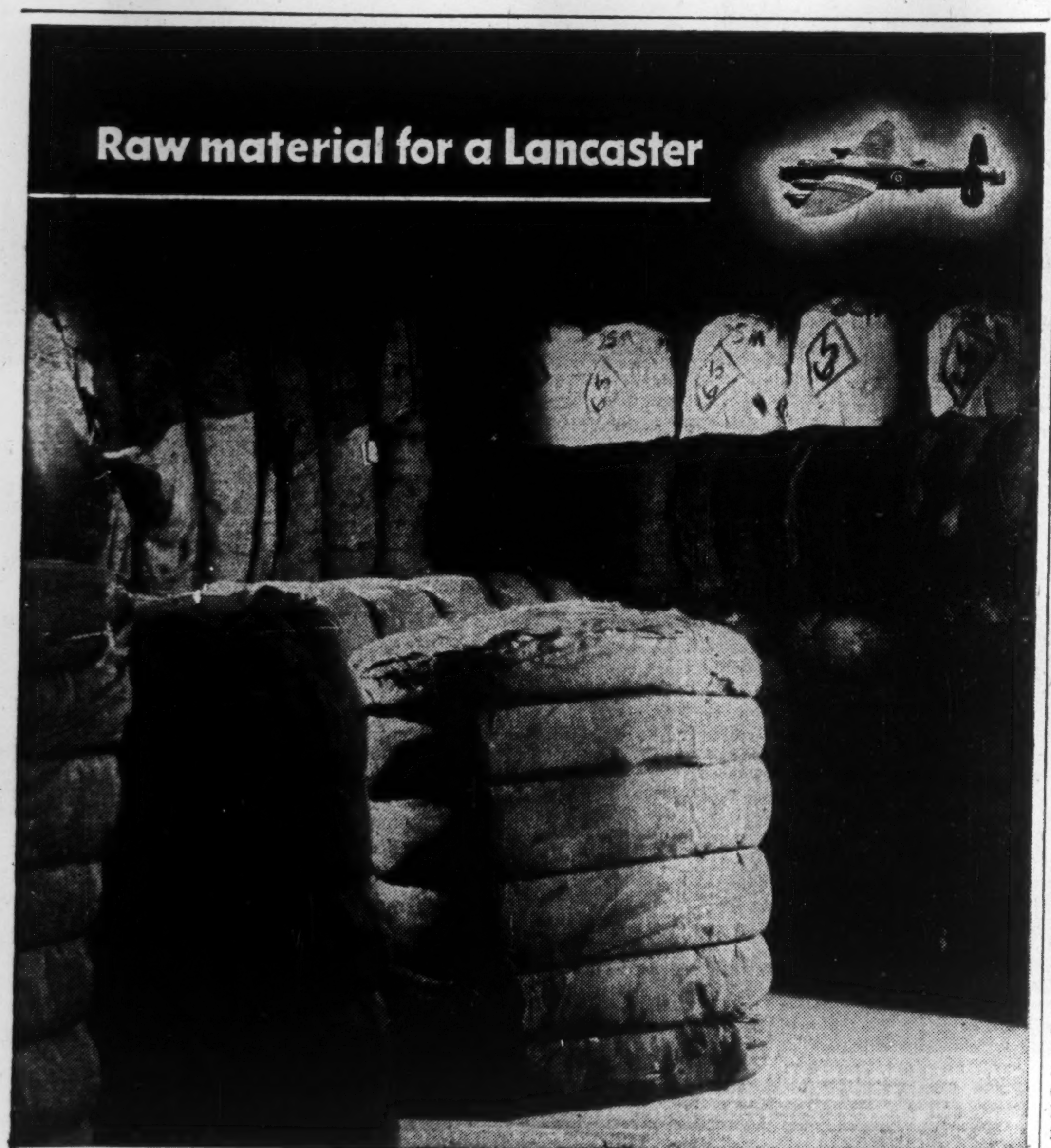


JUST bales of rags . . . yet they are raw material for bombers, battleships and tanks just as surely as are steel and aluminum. Every type of war production depends on paper—for orders, instructions, designs, blueprints and a thousand other *essential* uses. Many types of special papers, made from both rags and wood pulp, are being supplied in vast quantities by Rolland and other Canadian paper mills for strategic war purposes. *From production line to front line, paper is in the thick of the fight.*

SAVE WASTE PAPER
ROLLAND PAPER COMPANY LIMITED
High Grade Paper Makers since 1882
MONTREAL, QUE.
BRANCH OFFICE: TORONTO, ONT. — MILLS AT ST. JEROME, QUE., AND MONT ROLLAND, QUE.

Pulp and Paper

Newsprint Goes to War

From Our Own Correspondent

MONTREAL.—That the Canadian pulp and paper industry very definitely is in this war has been evidenced further by figures just released on export movement of Canadian newsprint to date this year, by countries. This movement of newsprint reflects policies adopted under influence of military and other war considerations.

Canadian production of pulp and paper, including newsprint, is being relatively well maintained this year, but that does not mean that shipments are following the pattern of last year. Supplies for non-war purposes to buyers on this continent have been curtailed, to make possible increased use of pulp for war purposes, and to permit expanded shipments of white paper and newsprint to overseas points, partly in connection with propaganda and political planning in the war.

Many New Uses

Both pulp and paper are now being used in scores of new ways, never before tried, including materials for explosives, shell cases and numerous other munition uses, for supplies for military needs, for special packaging requirements, etc. The use of pulp and pulp products for strictly military purposes has become very heavy.

In the case of newsprint, supplies for this continent have been cut down to permit release of a greater amount for press and circular use for propaganda purposes, and morale building among our own forces overseas. Similarly, overseas exports of Canadian white paper have been increased this year. Current production of newsprint is above the amount that had been calculated in government estimates —but the increased amount, instead of being added to supplies available for U. S. publishers, is being specifically earmarked for use by "Yank," the newspaper of the U. S. armed forces, and other military needs.

U. S. Gets Less

The detailed figures on export movement of Canadian newsprint for the first five months of this year reveal that exports to the United States have been whittled down, to make possible substantial increase in overseas shipments.

Not all markets, however, have shared alike in this year's allotments. Shipments to the United Kingdom have been whittled down further, but New Zealand is now getting newsprint direct from Canada. In May there was an increase in shipments to Continental Europe. Brazil and Uruguay, in South America, have obtained increased newsprint supplies, but most Latin American countries are getting less. Newsprint is going in fairly sizeable quantities to Ireland, to British India, and wherever Allied military forces are stationed. In some cases, it might be noted, eventual destination of the newsprint may be different from stated destination.

The table below shows the movement of Canadian newsprint past Canadian custom points in May and during the first five months of this year, with comparisons:

CANADIAN EXPORTS
(In short tons)
Compiled from D.B.S. Reports

Destination:	May 1943	May 1942	Five Months 1943	Five Months 1942
U. K.	678	6,751	6,663	18,173
Eire	110	....	2,594	109
Cont. Eur.	630	110	858	2,374
Medit. area	113	53	972	698
Egypt ...	154	336	753	1,862
Brit. So. Africa ..	....	....	48	8,431
Oth. Africa	152	152	404	445
Brit. India, Ceylon & Burma ..	2,968	1,669	4,767	5,866
Australia .	66	....	621	6,154
N. Zealand	6,203	....	9,316	330
Argentina	7,327	6,584	18,396	21,308
Brazil ...	2,118	166	17,254	9,111
Uruguay .	965	71	5,839	1,821
Other S. A.	1,493	545	6,207	12,712
Mexico ..	522	1,863	1,635	5,888
Cuba	909	....	4,639	3,542
Brit. West Indies ..	150	209	1,447	644
Oth. Carib. area	720	140	2,486	5,498
Others ...	963	180	2,915	1,205
	26,241	18,829	87,814	106,171
U. S.	200,472	229,154	991,365	1,164,794
Total	226,713	247,983	1,079,179	1,270,965

Bombing Hitler With Paper

Evidencing the large amount of paper that goes into war propaganda work, it has been revealed that during the first four and a half years of the war the Royal Air Force dropped 1,264,456,656 leaflets, newspapers and magazines over enemy and enemy-occupied territory. Such paper items are being dropped at the average rate of 1,200 pieces a minute, or 200 tons a month.

New Use for Wood Waste

Canadian pulp and paper producers are watching with interest result of the $2¼ millions experiment of the Williamette Valley Wood Chemical Co., which is building a plant near Eugene, Ore., for production of industrial alcohol by the hydrolysis of wood wastes. Although the plant will not be in production until the spring of next year, it has been approved by the U. S. War Production Board as an exploratory operation on a new non-food raw material. It is estimated 100 million gals. of alcohol could be produced annually from wood waste, if it became necessary to give up the use of grain because of its need as a food.

Lignin Used In New Tough, Hard Plastic

Process Perfected By DMS and WPB to Be Used in Canadian Plant

A new plastic material, tough and strong with many of the qualities of metal, will be available for an almost unlimited number of uses in postwar civilian manufacturing and construction. A by-product of Canadian pulp and paper construction, this plastic is the result of a new process developed under the auspices of the Department of Munitions and Supply, and the WPB in Washington, and will be used in production for the first time by a plant now under construction at Cornwall, Ont., by the Howard Smith Paper Mills, Ltd., of Montreal and Cornwall.

All details of the process except the facts of the raw material and the finished product are, for the duration, a military secret of the Department of Munitions and Supply. However, it is known that while the new plant in Cornwall, to be enlarged from time to time in the future, is a "pilot plant" in the sense that it is the first to go into production on an industrial scale, all experimental work on the process has been completed and it is believed that all production wrinkles have already been ironed out.

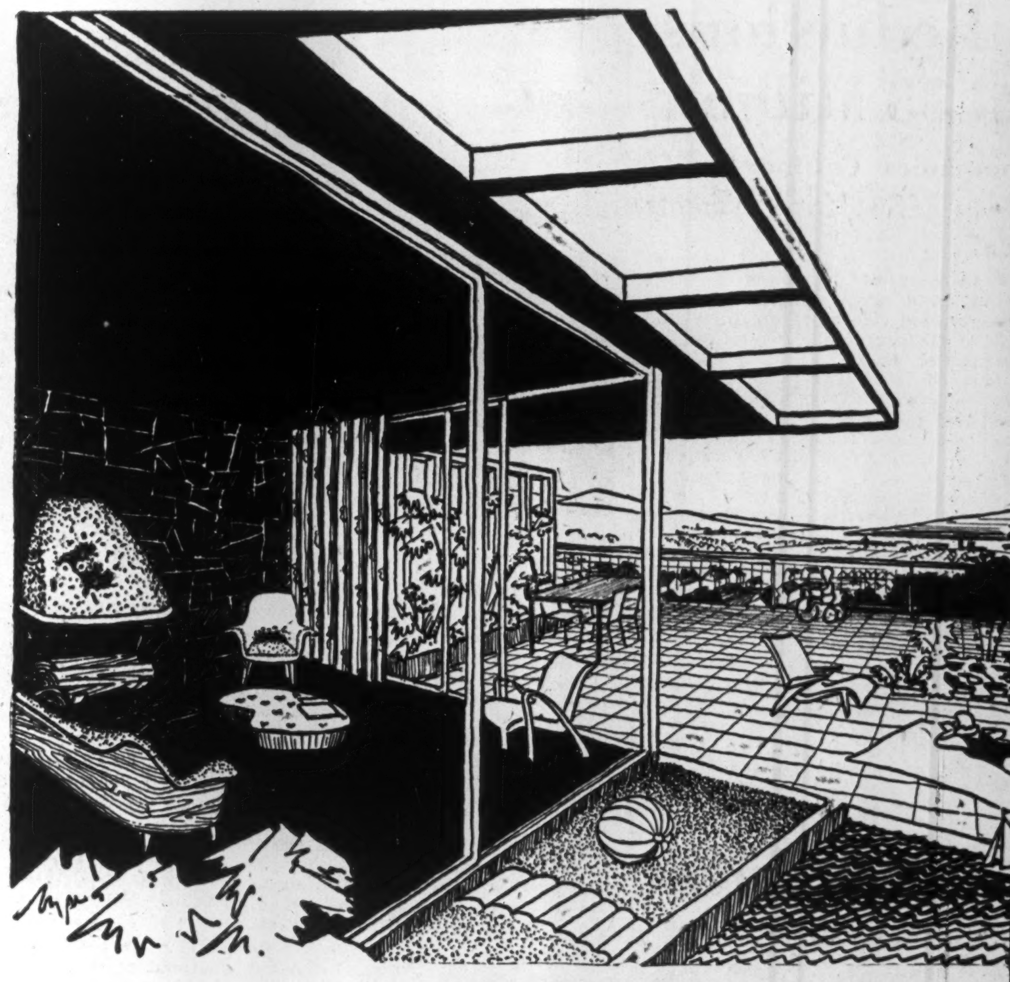
Lignin Used

The new process makes use of the lignin in wood pulp. Wood is composed of cellulose fibres, used at present in making paper, lignin, the binding material in wood, and other carbohydrates such as are found in the sap. Up to the present, the lignin has been an almost waste product in the production of materials of little value commercially.

"What we are really doing is taking the wood apart and putting it together again," is as far as E. H. Tomlinson, chief chemical engineer for Howard Smith Paper Mills Ltd., will go in describing the process.

The resultant product is a hard metallic looking material with a shiny glass-like surface. It is almost impossible to break and surprisingly light in weight. It can be produced in sheets, their thickness limited only by size of manufacturing equipment, or in different shapes and forms. Engineers state that for postwar it has possibilities for use in construction at an economic cost. It is weather proof and will take a surface of wood veneer. As at present produced, it has a glossy black appearance but may eventually be produced in a variety of tones and colors.

For the duration all production will be for war purposes but in postwar years it will offer an outlet for what has been almost a waste by-product of the pulp and paper industry in Canada and, it is believed, will have big possibilities for export trade as well as use in Canada.



DWELLING IN 194X

Significant of the most advanced thinking in functional design, this post-war dwelling project is the latest in the Barrett series of original conceptions by outstanding American architects demonstrating the practical utilization of valuable roof space so largely wasted in today's buildings.

Shown here is a livable and efficient roof plan for a medium-priced dwelling as designed by Carl Koch, senior Research Technician for the National Housing Agency, and authority on cooperative housing.

Visible in this study are an "outdoor" living room for year-round use, a play yard, wading pool, sun deck and garden—all in the roof plan alone! And all—in this case—high enough above the landscaping to provide unobstructed views.

The area on which the dwelling stands has been transferred to the top of the structure, thus adding the equivalent of the entire ground floor to the usable dimensions of the property.

Barrett Built-up Roofs—already standard for flat-roof construction on many modern developments, such as the famous Rockefeller Center roof gardens—are increasingly important to architects and housing planners. These coal-tar pitch and felt roofs provide the maximum in dependable, long-lasting waterproofing and weather-proofing protection.

* * *

The dwelling shown here is sixth in the Barrett series of modern designs devoted to the functional planning of roof areas. You are invited to write today for reprints of the complete series, for your files.

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Since 1854 : : : "The Greatest Name in Roofing"
Barrett Specification Roofs

TOWARDS BETTER MEALS

Connoisseurs of cooking owe a lot to Catherine de Medici, Queen of France in the sixteenth century. The chefs she brought from her native Italy revolutionized the royal cuisine—with new cooking methods, new recipes and dishes that made French cookery famous.

Every week, nowadays, 700,000 copies of the Star Weekly carry the message of better meals into the kitchens of Canada. From coast to coast, Mrs. Canada relies on the Star Weekly to bring her the latest in recipes—the newest cooking hints—menus that Queen Catherine and her old-time chefs would envy.

83% of housewives in Star Weekly homes tell us they read the cooking pages regularly. It's this kind of reader interest, combined with the largest circulation in Canadian publishing, that tells why the Star Weekly is the top "buy" with so many outstandingly successful advertisers.

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We Have Been Asked . . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Investment Service Fees

I am a professional man but do considerable investing with my surplus funds. To assist me in this I get an investment service which costs me about $120 a year. Am I permitted to deduct this from my income for tax purposes?

Such expenses as you mention are not of the type which may be deducted from income for tax purposes, especially when you are not in the investment business. If you were in the investment business you would be justified in deducting the cost of the service.

Supports Sister-in-Law

My sister-in-law recently became unable to work any more and has come to live with my wife and me. Are we allowed any deductions for income tax on her account?

You personally are not allowed to deduct anything on account of your sister-in-law. If your wife has an income of her own she will be allowed a deduction from normal tax of $28 and from graduated tax of 20% of the amount contributed to the support of her sister up to $400, or a maximum deduction from graduated tax of $80.

Fire Insurance Premiums

I recently bought a second house and rented the one I was previously living in to somebody else. Can I deduct my fire insurance premiums from the rent I receive for it, in calculating my income tax?

Yes. The second house is a factor in earning your income. Accordingly you would be allowed to deduct the fire insurance premiums on it when calculating your income for tax purposes.

INVESTMENTS

Labrador M. & E.

Will you please tell me something about Labrador Mining & Exploration Co. Whose management is the company under? Is the company producing or has it good chances of opening up one or more commercial ore deposits? What work is being done at present?

Management of Labrador Mining & Exploration Co. is now vested in Hollinger Consolidated Gold Mines.

The company is not yet a producer but geological reconnaissance carried out on its large concession in Labrador has given indications of a number of important ore showings including rather substantial high-grade iron deposits and more detailed exploration of these showings is being undertaken this year.

Approximately 900,000 shares remain in the company's treasury which are under option at $1 a share to Hollinger Consolidated Gold Mines.

Development plans call for the iron ore deposits to be drilled during this season and scout drilling is also to be conducted on certain sulphide zones. Prospecting of new areas will be carried on. The company has taken a number of diamond drills in to carry out exploration.

Eastern Dairies

I am the holder of a bond in Eastern Dairies. Last fall they deferred their interest. Could you tell me if any arrangements have been made to meet it since then?

For your information, the properties of Eastern Dairies were consolidated with those of Producers of Ottawa, Elmhurst of Montreal and Acme Farmers Dairy of Toronto into a new company known as Dominion Dairies Ltd. Under the consolidation plan as approved and now in effect, you are entitled to an amount of 6% first mortgage bonds of Dominion Dairies equivalent to your holdings in Eastern Dairies.

Arrangements were completed by the end of March, 1944, for exchange of bonds of Eastern Dairies for those of Dominion Dairies and the interest payment due Nov. 1, 1943, which had been deferred, is being paid to Eastern Dairies bond holders when they turn in their bonds for their quota of new securities. The interest had merely been deferred pending final consummation of the consolidation.

Steep Rock

Will you please give me some information on Steep Rock Iron Mines which will allow me to assess this company's possibilities for profits?

Operations of Steep Rock Mines continue slightly ahead of schedule and there appears to be an excellent chance of production being attained slightly ahead of Aug. 1, 1944, the date production is scheduled to commence. Costs have been fairly in line with pre-production estimates and we hear unofficially that the company is likely to commence production with a million dollars or so of working capital available.

Actual profits achieved by Steep Rock will be determined to a considerable extent by the proportion of ore which proves to be "lump" and by the price received for the company's products. Open hearth ore of a grade comparable, or perhaps inferior, to Steep Rock lump at present brings a price of $6.93 a ton Canadian funds. It is thought that the pre-production estimate of 25% of ore as lump was substantially on the conservative side, and that, in practice, as high as 75% of ore might bring the premium lump price. Before production was commenced, a cost of $3.24 a ton Canadian funds, before interest and Dominion corporation tax was estimated. Corporation tax would be 12% of profits realized after taking the allowance for depletion.

On reaching production, the company is expected to have outstanding $5 millions, United States funds, of 4% first mortgage bonds and $2,250,000 of 5½% sinking fund debentures in addition to the present common stock issue of 5,431,009 shares.

During the balance of this year, the company hopes to mine and ship 500,000 tons of ore with perhaps a million tons to be shipped in 1945. There is a good chance that in 1946 a full two million tons of ore, the scheduled output, will be realized.

ON BOARD

A. E. Wright, Montreal, who was elected to the Board of Directors of Cockfield, Brown & Co., Ltd., advertising agents, at the annual meeting. Mr. Wright joined the agency at Toronto in 1925 as an account executive, and since 1934 has been attached to the Montreal office in a similar capacity.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

Pumps: WPTB Order No. A-1229, effective June 1, adds to the schedule to Order No. A-962 (paragraph 1) the items: Cistern lift pump—3½-inch cylinder and closed spout; and hand lift well pump—two-inch pipe and four by 10-inch iron cylinder. The order, which refers to simplification and standardization, will have the effect of permitting manufacturers to resume production of goods which have been heretofore prohibited. Admin. of Farm and Construction Machinery and Municipal Service Equipment, H. H. Bloom.

* * *

Moving Picture Films: WPTB Order No. 402, effective May 25, revokes section 1 of Order No. 99, which prohibited the use of premises for the purpose of public exhibition of moving pictures for profit which were not actually used for such purpose on Jan. 31, 1942. Chairman, D. Gordon.

* * *

Kosher Beef: WPTB Order No. 399, effective June 5, revokes Order No. 378, and fixes the maximum price at which kosher beef may be sold at wholesale and retail in any zone in Canada. Chairman, D. Gordon.

Lambs: WPTB Order No. 403, effective June 1, revokes subsection (1) of section 6 of Order No. 340, and prohibits the slaughtering during June, July and August, of lambs weighing less than 60 lb. live weight. Chairman, D. Gordon.

* * *

Hog slaughtering: WPTB Order No. A-1228, effective June 1, entitles custom slaughterers to make a special charge not exceeding 2c. per hog to cover cost of issuing government hog premium warrants. Admin. of Meat and Meat Products, F. S. Grisdale.

* * *

Beef: WPTB Order No. 397, effective June 5, revokes certain sections of No. 307, provides that wholesale prices include delivery to the buyer's place except in certain cases, and revises the pricing of hind and fore quarters of beef, according to rules and schedules attached. Chairman, D. Gordon.

* * *

Goods Purchased at Retail for Resale: WPTB Order No. A-1223, effective June 1, provides that the maximum price at which goods bought at retail for resale may be sold shall be the actual price paid for the goods, plus the discount, if any, allowed from the price at which the goods were offered for sale at retail, and that such sales shall be accompanied by an invoice or receipt, giving particulars. Admin. of Retail Trade, E. G. Burton.

1944-45 Producer Subsidy Increase Near $16,422,594

Subsidies paid by the Agricultural Food Board to Canadian producers in 1944-45 will exceed those of the previous year by some $16,422,594, according to figures tabled in the House of Commons recently by Agriculture Minister Gardiner. Actual subsidy payments by the Agricultural Food Board for the fiscal year ended March 31, 1944, "on products delivered to distributors and manufacturers," amounted to $31,177,406. Estimated subsidy payments for the coming year are $47,600,000.

Asked to describe this sum, Mr Gardiner replied: "It is producers' subsidies, given for the purpose of getting greater production."

Here is the breakdown of subsidy payments as given by Mr. Gardiner:

Producers' Subsidies, 1943-44
(To April 30, 1944)

Fluid milk at 25c	$2,632,908
Fluid milk at 55c	6,289,085
Total fluid milk	8,921,993
Butterfat at 8c	15,954,297
Butterfat at 10c	3,050,353
Total butterfat	19,004,650
Concentrated milk at 30c	638,675
March & April, 1943 at 25c	234,065
Total concentrated milk	872,740
Cheddar cheese milk at 30c	1,171,557
Total milk & milk products	29,970,940
Canning crops	945,441
Berries for jam	261,025
Grand total	31,177,406

Producers' Subsidiaries, 1943-44
(Estimated)

Butterfat (creamery butter) at 10c per lb.	$28,200,000
Fluid milk, 25c & 30c, summer, & 25c and 55c, winter	11,200,000
Cheese 20c per 100 lb.	4,200,000
Concentrated milk 15c summer 30c winter	1,400,000
Fruit for jams	600,000
To producers tomatoes, corn, peas & beans	2,000,000
Total	47,600,000

Tobacco Labor Fears Subside

A Selective Service official will confer at Washington with the U. S. War Manpower Commission on the question of importing a large number of experienced tobacco workers from the southern United States, NSS Director Arthur MacNamara recently told a representative group of Ontario flue-cured tobacco growers, in Ottawa to discuss labor problems coming to a head with the July 15-Oct. 15 harvest.

Growers were requested to submit the names of all males over 16 years who will be working on their farms between June 26 and July 15; permits will be granted for these immediately, they were assured. In addition the names of tobacco workers in the district—or in outside districts—who have been employed in previous years may be submitted. After these names have been checked, permits will be issued for those who can be spared.

Eleven temporary employment and selective service offices will be opened in the Ontario tobacco area to give full-time attention to the placement of workers. Meanwhile, an explanatory letter from Mr. McNamara is being sent to the growers and the plan will get a wide measure of publicity. When it was announced Selective Service permits would be required for all male employees over 16 years of age, growers expressed fear their normal harvest help would be denied them.

Sherwin-Williams Co. Reports Record Sales

From Our Own Correspondent

MONTREAL.—Sales of Sherwin-Williams Co. of Canada during the first nine months of current fiscal year (to end of May) have continued upward, reaching a new high record level, while profits show little change from the annual rate of $1.07 a common share reported for the 12 months ended Aug. 31, last, according to a statement by D. A. Whittaker, president and managing director.

Outlook, according to Mr. Whittaker, is for continued heavy demand for paints and similar products, with probability of very heavy demand in the years immediately after the war.

TO-MORROW'S HORIZONS

Man takes wing; intrepid airmen blaze new global trails; the world shrinks under the speed of air travel, and vast new regions are laid open to development.

Post-war skyways, following the Great Circle routes to the north, will place Canada at the cross-roads of the world, with wide scope for promoting international trade, travel, and understanding.

With the progress of to-morrow, Canadians will, as in the past, find The Royal Trust Company ready to serve them in safeguarding the fruits of their labours, while at home or on missions to new horizons.

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CORPORATE SECURITY — PERSONAL SERVICE
Offices across Canada from Coast to Coast

MANAGEMENT ENGINEERING

Management Engineering is nothing less than a business clinic.

It is a service for business, unique in Canada, offered by a permanent staff of Canadian engineers and specialists.

Licensed engineers; chartered accountants; trained industrial psychologists; certified cost accountants; specialists in office procedure in industrial and labour relations, in market analysis and in organization structure are members of Stevenson and Kellogg's permanent staff. All these specialists work under the practical supervision of the engineer assigned to the client so that the maximum good results.

Operating according to this plan, the specialist does not over-emphasize his point of view. All proposals are measured against an unbiased and practical engineering standard before being presented to the client.

Few companies could afford such an aggregation of specialists on their own staff. Few companies could support a staff whose accumulated diversified experience with sound methods and tools of management approaches that of ours.

Through our affiliation with Stevenson, Jordan & Harrison organizations in the United States and Great Britain, we can call upon the accumulated knowledge of over forty years of sound and successful management engineering practice to serve your needs.

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Canada called for the skill of our trained metal workers to produce war equipment

They will build

better refrigeration

equipment for you . . . when the war ends

• Our engineers and skilled workmen had the knowledge and training so essentially needed for the production of essential war materials. Our modern factory equipment provided the kind of tools and machinery needed to build parts for fighting machines which must be made to exacting specifications.

But while doing this war work we have been, and still are, learning new methods which will enable us to build better refrigeration equipment when the war ends and we are able, once more, to return to our regular business.

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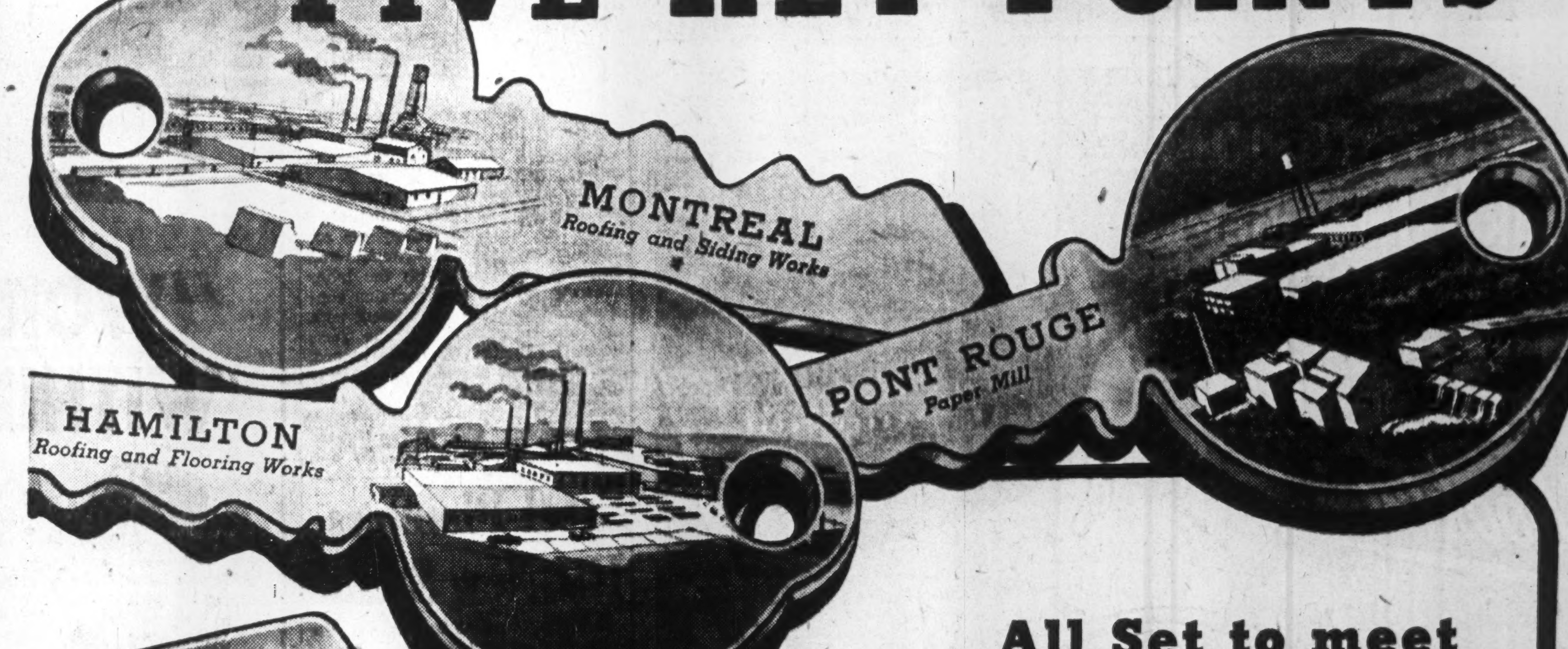
UNIVERSAL COOLER CO. OF CANADA LTD • Automatic Refrigeration since 1922
BRANTFORD, ONT — MARION, OHIO

FIVE KEY POINTS



All Set to meet Canada's huge Post-War Building Needs

● Five busy units comprising three factories, a paper mill and a quarry now producing for war, are set for the changeover to full peacetime production. They are geared to meet the pent-up civilian need, both industrial and home, for rugged, colourful B.P. products for exterior and interior use. These include Asphalt Shingles, Roll Roofing, Siding, Insul-Board and Flooring, all with remarkable weatherproofing and insulating qualities and an unlimited range of application.

They'll be needed by industries for their own factory changeovers, for new housing programmes and for long-delayed home renovation. And this company, realizing its responsibility as Canada's major source of these vital building materials, will be staffed, equipped and organized to produce them.

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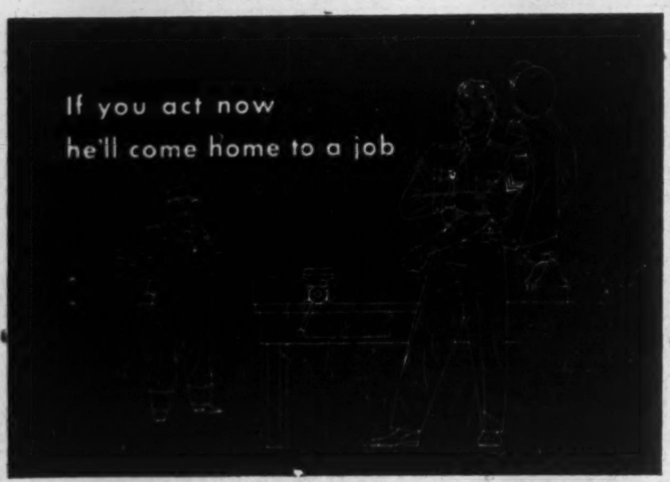

Fenestra SUGGESTS . . .

Everyone agrees that there are a tremendous number of potential postwar jobs for service men in the building industry.

But men can't eat and pay rent on potential jobs. They'll need *actual* jobs—right away—when they come home.

The fine thing about it is that something *can* be done—by you and thousands of other Canadians—to have those actual jobs ready.

How? Simply by doing *now* the planning that you eventually must do before any ground-breaking can be done for your new postwar home, school, hospital or public building. Get the site chosen, the legal matters straightened out, the finances arranged, and the architectural plans worked out to the final blueprint.

Many architects have time available right now to help you get your ideas into workable plans. Remember, you'll get your new building quicker if the time-consuming process of planning is all done before the time when materials are again available.

And don't you agree that it's the duty of every one of us to do all we can to have jobs ready when the boys come home?

CANADIAN METAL WINDOW AND STEEL PRODUCTS LIMITED

160 River Street, Toronto

Montreal Address: 185 Van Horne Avenue

THE WASHINGTON LETTER

Senate Champions Montgomery Ward In Probe of FDR'S Store Seizure

BY LAWRENCE SULLIVAN

WASHINGTON.—A special subcommittee of the Senate Judiciary Committee reported recently on its enquiry into the seizure of the Montgomery Ward retail and mail-order establishment by the U. S. Army at Chicago, on April 26. This seizure, following a labor dispute in which the company declined to accept automatic renewal of an expired contract, as ordered by the War Labor Board, has stirred a political tempest of the first magnitude.

The Judiciary Committee's report explores in detail the legal and constitutional aspects of the military seizure under President Roosevelt's executive order.

Legality Challenged

In conclusion, the report itemizes 15 specific points which challenge the legality of the seizure.

First, the Department of Labor could supply no evidence to justify its finding of June 2, 1942, that the dispute was one which might interfere with the war effort. Yet it was this finding by the department which provided the fiction of a legal basis for referring the dispute to the War Labor Board. Stated another way, the Senate Committee finds that Montgomery-Ward dispute never should have been taken to the WLB.

Secondly, the committee finds that the WLB had no substantial basis for its own finding that this labor dispute might interfere with the prosecution of the war. Nevertheless, is was on such finding that the WLB assumed jurisdiction of the dispute on June 29, 1942.

Signed Contract Under Duress

It thus appears that the WLB began by assuming jurisdiction in a dispute over which it had no legal authority. It then directed Montgomery Ward to accept a contract embodying the maintenance-of-union clause. When the company refused, on the ground such an order was without legal authority, President Roosevelt personally directed Montgomery Ward to sign the contract with the CIO. Then the company accepted under duress, in Nov. 1942.

When this contract expired, in Nov., 1943, the company refused to renew. Whereupon the Labor Department again certified a labor dispute to the War Labor Board. But the Senate Committee now finds that the Labor Department "did not make any investigation upon which to base its certification."

The next point in the committee's report is that the WLB acted capriciously in assuming jurisdiction of the second Montgomery Ward dispute on Jan. 13, 1944, because three months later, on April 15, 1944, the same WLB "declined to exercise jurisdiction of a labor dispute involving a mail-order house and retail store of Sears, Roebuck & Co." In this action WLB found that Sears, Roebuck "was not engaged in war production."

The Senate report also finds that the WLB violated the law when it ordered Montgomery Ward to re-establish the expired labor contract, after that contract actually had been nonexistent for a period of 36 days. By this act the WLB, in effect, named the CIO union as the collective bargaining agent and excused the union from petitioning for a new election before the NLRB. Although no election had been held, WLB on April 5, 1944, directed the company to negotiate a new contract, again embracing the controversial union-maintenance clause.

Could Have Gone to Courts

The committee also finds that WLB had a clear right to seek enforcement of its orders through the courts (rather than by the military), adding, "its failure to do so is evidence of the Board's reluctance to have its orders reviewed by the federal courts."

Attorney General Francis Biddle is identified by the Senate Committee as co-author of the seizure. His letter of April 22, 1944, addressed to the President, "presumably was the impelling force" for issuance of the seizure order. The committee finds that this letter from Mr. Biddle "contains erroneous, misleading, irrelevant and immaterial statements and allegations which have tended to confuse, rather than to clarify the facts in the minds of the people of the United States."

Regarding Mr. Biddle, the committee report continues:

"The Attorney-General's letter to the President not only recites facts which are unconfirmed by the records of the federal departments and agencies concerned with the labor controversy, but also contains conclusions which are inconsistent with and unsubstantiated by the facts which he recites. Upon the record, the committee consider particularly unwarranted and untenable the conclusion that the dispute between the company and its employees could not be settled promptly and peacefully without resort to the executive order."

Finally, the Committee reports that Secretary of Commerce Jones called upon the Army to aid in taking possession of Montgomery Ward.

"Such a step should have been taken only as a last resort. That it was not the last resort is shown by the fact that on April 27, 1944 (the day after the seizure) the government instituted proceedings in the Federal Court at Chicago seeking a temporary restraining order and a mandatory injunction to compel company officials to comply with the executive order."

A whirlwind of protest from the nation forced withdrawal of the military after ten days, and with the return of the plant to its owners, the court proceeding was vacated without decision. Thus, the Administration again avoided a judicial ruling on its seizure authority.

GLADYS RACE

Who has been admitted to partnership in the Thornton Purkis Advertising Agency as of June 1, 1944. Miss Race has long been associated with the Agency in an executive capacity, first as private secretary to Mr. Purkis, then as space buyer, and latterly as an Account Executive.

LT. WM. THORNTON PURKIS

Who has been admitted to partnership in the Thornton Purkis Advertising Agency. Before joining His Majesty's Forces over four years ago, Mr. Purkis was an executive assistant in the Montreal office of the agency. He was educated at Upper Canada College and the University of Toronto, and is now with the Third Canadian Anti-Tank Regiment Overseas.

Steel Planners Hit New Stride

After a wartime sojourn at the nation's capital, the head office of the Canadian Institute of Steel Construction is to return to Toronto about July 1, it was decided at the CISS annual meeting in Toronto. R. C. Manning will continue as secretary and chief engineer.

CISS, the non-profit service organization of the structural steel industry of Canada, this year is undertaking a more active role in postwar planning, including cooperation with allied interests; is shaping a broader program of educational advertising for structural steel.

Full co-operation is promised the Steel Controller to alleviate the present temporary steel shortage. The Institute's secretary-engineer will act as liaison officer between Steel Control and Construction Control, and between various branches of government, such as public works, the armed services, railways, provincial highways departments, etc.

New CISS Officers

Executive of the Canadian Institute of Steel Construction for 1944-5 is as follows:

G. G. HENDERSON, Walkerville, Ont., Canadian Bridge Co., president;

C. W. MARSHALL, Montreal, Dominion Structural Steel Co., first vice-president;

HUNTLEY GORDON, Hamilton, Ont., Dominion Foundries & Steel Ltd., second vice-president.

G. E. TRELOAR, Sarnia, Ont., Sarnia Bridge Co., treasurer.

Other members of the executive: C. S. KANE, Montreal, Dominion Bridge Co., past president; T. E. BOYCE, Toronto, Disher Steel Construction Co.; THOMAS MOORE, Hamilton, The Steel Company of Canada; R. E. NICHOLSON, Toronto, Algoma Steel Corp.; E. M. SEALE, Montreal, Canadian Tube & Steel Products Ltd.; H. W. WELSH, Sherbrooke, Que., MacKinnon Steel Corp.; G. P. WILBUR, Toronto, Dominion Bridge Co.; A. B. HILL, Trenton, Ont., Central Bridge Co.; R. M. CALVIN, Montreal, Canadian Vickers Ltd.; F. P. FLETT, Toronto, Truscon Steel Company of Canada; F. L. HAVILAND, Port Robinson, Ont.; Standard Steel Comstruction Co.; J. T. HEPBURN, Toronto, John T. Hepburn Ltd.; H. SCOTT CAMERON, New Glasgow, N.S., Maritime Steel & Foundries Ltd.; GEORGE H. CRASE, Toronto, Horton Steel Works Ltd.; H. J. CHAMBERS, Hamilton, Hamilton Bridge Co.; A. S. GENTLES, Vancouver, Dominion Bridge Co.

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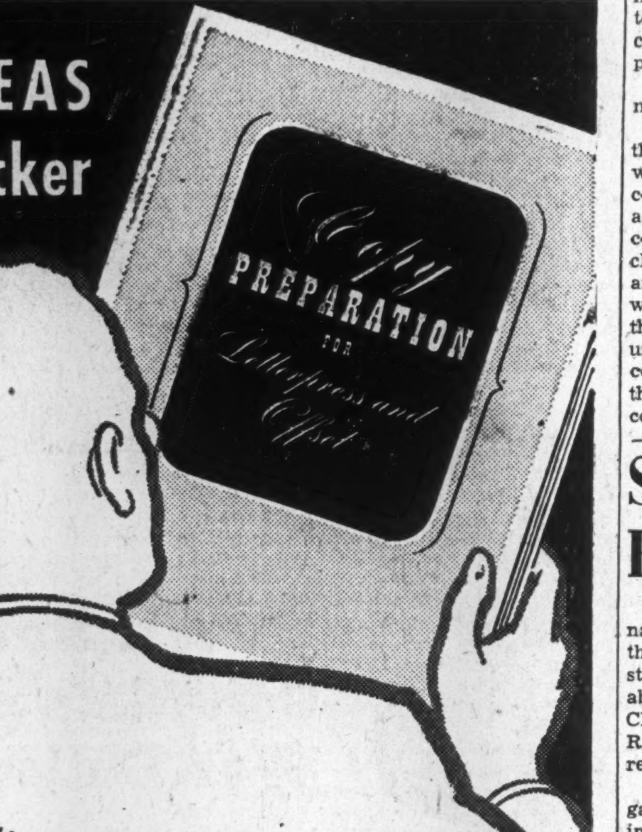

This simple, handy booklet will help you save time . . . gather ideas for a better printing job . . . and eliminate a lot of the "trials and errors" of preparing printed material for the printer. It offers a lot of suggestions that are 100% practical, including:

- Typing "copy" or text matter for the printer.
- The few necessary "tools" needed for time-saving in preparing copy.
- Planning the "Dummy"—its size.
- Choosing subjects and sizes of illustrations.
- Selecting suitable "art" or photographic treatment.
- How to get the best "effect" from your pages with "bleed-off" engravings, margins or color.
- How to calculate "copy space".
- How to read and mark proof.
- Choosing the right paper for the job.
- Designing office and commercial forms, etc., etc.

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Servicing Foreign Trade

It is an historical fact that Canada's prosperity has always been dependent upon export trade.

This will be equally true after the war, when our greatly expanded productive capacity, now devoted to war needs, must find new markets for its surplus output.

Distance, risk and time, however, place obstacles in the way of foreign trade. They can be overcome only by greater mutual knowledge and confidence between parties involved, and by enabling payments to be made easily and without tying up capital.

Bankers' Letters of Credit guarantee prompt payment and help to break down these barriers of distance, uncertainty and time.

This and other services rendered by The Dominion Bank will continue to be of great importance to those interested in foreign trade after the war.

THE DOMINION BANK

C. H. CARLISLE, President — ROBERT RAE, General Manager

609

Stephen Leacock wrote:

WHAT of the future? *Gutta Percha & Rubber, Limited, has put this question to a number of internationally famous authors. Here, specially written for Gutta Percha are the personal views of the late Stephen Leacock, Professor of Political Economy. In succeeding issues, Gutta Percha will present the views of other famous men and women.*

"WORLD OF GREAT HAPPINESS IS WITHIN REACH... *PROVIDED...*"

NOTE: *Stephen Leacock wrote this article in hospital, just a week before his death. It thus became his valedictory manuscript.*

• I believe that a post-war world of great happiness is within the reach of mankind . . . *provided always* that mankind can make the moral effort of such a reach. This would be based on one of the oldest and most beautiful ideals of humanity, peace on earth; good will towards man.

But . . . for an unmeasured period the peace of the world must have as its background an available and overwhelming force held in the hands which have proved their moral right to use it and ready to strike down treachery.

Nor is there any country with a larger prospect in this new happiness and a larger responsibility in its creation than Canada. Our place is indicated by our territory and uncounted assets, by the rigour and the temper of our climate that makes men, and by our population, fitted for such a climate and able to increase indefinitely by kindred immigration and by family increase at home.

It is my belief that in the case of Canada the importance of home development of our assets and increase of population far outweighs the importance of foreign trade. But we can best advance our internal development by supplementing it with suitable and complementary external trade.

Two things are here to be avoided. One is the ideal dream of universal free trade in an open world. To attempt this would only be to let loose all the winds from ancient caverns of discord. The other is the extreme of exclusion, the attempt to sell and never to buy.

Between these, however, wisdom and good will will find a middle path.

For this foreign trade we need an international exchange. I think that if we cannot actually base it on redeemable gold we should at least base it on the prestige of gold holdings and gold production for which Canada is supremely fortunate. With trade should go communication as open and free as possible and especially by air. We must give and take. We must have no exclusions that will in time breed air-made war when land-made war is dead.

All these things will depend for success not on the letter, but the spirit. In the long run there is only that.

A 20-page Booklet *in 7 colors giving a factual glimpse of the United Nations is being published by Gutta Percha. To reserve a copy, write direct to the Company at 160 West Lodge Avenue, Toronto.*

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LONDON CALLING by Adelphi

King's Speech Most Impressive

By ADELPHI

LONDON.—The most spectacular event of the Empire Premiers' Conference, off-stage, was the gathering of both Houses of Parliament to do honor to Mr. Mackenzie King, the Prime Minister of Canada. It is only on very rare occasions that this fraternization of the Lords and Commons takes place. You find yourself sitting next to someone you have never seen before and you think: "So this is a peer." And no doubt he is saying to himself: "And this is what they elect to Parliament." However, the combined effect is impressive.

The event took place in the great gallery which stands like a gigantic sentry at the doors of the miniature chamber which the Lords now use for their debates.

And to this historic spot came the great men of the Empire's political life—Mr. Churchill, urbane, proud and with the perfect phrase at his lips. Lord Simon, as Lord Chancellor, looking in the arc lights as he too were a painting—what a cardinal he would have made! Then the members of the war cabinet and finally the four Dominions' prime ministers, Mr. King, Mr. Curtin, Mr. Fraser and Field Marshal Smuts.

Study in Contrasts

Mr. Mackenzie King's personality and career defy all the axioms of public life. He never plays to the gallery, he has none of the tricks of oratory, he never indulges in emotionalism. Yet he has led the Liberal party in Canada for 25 years and has been prime minister for 18 years all told.

It was not so much a speech he made as a statement. He read every word from his manuscript and made no deviation from it or indulged in any impromptus. We had hoped to be thrilled—we were in the mood for it—instead we were impressed. Item by item Mr. King revealed the colossal war effort of Canada. He claimed no credit for it but he did not need it. It is under his leadership that Canada has played her magnificent part in the war.

One part of his speech was obviously meant for home consumption. With careful underlining he made the point that every Canadian serving overseas was a volunteer. That, to him, was the perfect expression of a free nation.

No Secretariat For King

His other point was a virtual rejection of the plan for a permanent Empire secretariat sitting in London. Mr. Mackenzie King's point of view is understandable. The hour-to-hour cabinet meetings throughout the Empire are in themselves a permanent secretariat whose members are kept fully informed by each other.

Ribbentrop once said in one of his fits of bad temper — and bad judgment, in London: "Your Empire is held together by moonbeams."

Well . . . perhaps that is not a bad method. You can't cut a moonbeam or break it. And Mr. Mackenzie King is obviously against the creating of anything stronger and therefore more vulnerable.

But no one hearing his speech could doubt that his heart and his mind are dedicated to the continuance and the strengthening of Empire unity.

The Empire Premiers' Conference has been a great success. In fact it has been so successful that Ribbentrop held an interview with what is left of the foreign press in Berlin to explain that the conference had been a fiasco and that the Empire was virtually breaking up before our eyes.

* * *

Journalistic Battle Coming?

The spirit of prophecy is on me. I predict a most terrific battle between Lord Beaverbrook and Lord Rothermere if, and when, the former leaves the Government and goes back to journalism.

As a minister Lord Beaverbrook is in chains. He is a target to be shot at, and he cannot use his newspaper to open fire on his political assailants. Lord Rothermere, being a private citizen, can not only attack on the floor of the House of Lords but is able to send his "Daily Mail," "Evening News" and "Sunday Dispatch" into action every day of the week.

His "Daily Mail" accused Lord Beaverbrook of being raucous in debate. Subsequently, when Lord Beaverbrook quietened his voice, the "Daily Mail" said that he was inaudible. Lord Rothermere declared in the Lords that Beaverbrook had told them nothing about the future of civil aviation.

Some day there is going to be a terrific barrage opened on the "Daily Mail" and its proprietor by the back room boys of the "Express." It is only the Beaver's restraining influence that keeps them back.

* * *

Beaverbrook In Action

Thursday was more or less a Canadian day at that end of the Palace of Westminster. Almost as soon as Mr. King had departed to the cheers of us all, the House of Lords resumed their sitting a few feet away and the Canadian-born Lord Beaverbrook stripped for action in what was the second day of the debate on civil aviation.

On the previous day Lord Beaverbrook had drawn his usual full house of peers and public but had disappointed alike his friends and his critics, who are always equally ardent. In explaining the policy of the Government toward civil aviation he spoke quietly and almost with deference as if he really cared what the noble lords thought about it. Some of the peers even went so far as to urge him to speak up. Lord Beaverbrook looked pained. Was this his reward for appearing as a sheep in sheep's clothing?

But that was on Wednesday. When the gong went on Thursday—if I may change the metaphor—Lord Beaverbrook leaped from his corner and hit out in all directions and with such violence that it looked as if he might even knock out the referee sitting on the woolsack.

He fastened particularly on Lord Trenchard and Lord Rothermere and taunted them as shadow boxers. What was the use of criticizing civil aviation now when everyone knew that we were not making civil planes, that we had no crews and no ground staff available. We were at war. Did anyone want us to weaken our bombing squadrons to keep civil flying alive?

Lord Beaverbrook paused and looked around like Joe Louis to see if anyone else would like to enter the ring. To his great disappointment no one answered the challenge. The most important revelation he made was that America had agreed to supply us with civilian planes when the war is over and until we can catch up in production.

Quebec To Aid New Housing

From Our Own Correspondent

MONTREAL.—When the revised National Housing Act is enacted at Ottawa, it has been indicated, there will be no extension of the 90% loan feature beyond houses valued at $3.-200. But Quebec will have legislation, already passed, to fill that gap.

In the closing days of the Quebec Legislature session — a session which lasted 4½ months and was the longest on record—a bill was approved which will provide for provincial loans up to 10% of the cost of low-price dwellings ($6,000 and under), thus providing total of 90% financing, with only 10% cash payment required of the individual wanting to build a house. The amortization charge for the extra 10% from the province will not be added to amortization cost for retiring the federal part of the loan, as provision is made that the provincial 10% will be paid only after the federal 80% is cleared.

The province set a $1 million limit for such construction aid—at $600 per house this would help in construction of only 1,666 houses.

Premier Godbout, just before prorogation on the eve of a provincial election campaign, also gave a promise of further help for farmers, stating the Government would "deal with chemical fertilizers the same as it had with electricity," with a guarantee to farmers of all the chemical fertilizer that might be needed, at low cost.

The opposition took occasion to criticize the Government project for setting up a beet sugar plant at St. Hilaire, at a cost to the Government to date of $2.2 millions, with expenditures of $3 millions indicated before the plant is operating, this fall. Premier Godbout held that the plant would bring $1 million a year to farmers of the province.

Fraser Cos. Ltd., has declared a quarterly dividend of 35 cents on the common, payable July 25 to stock of record June 30, indicating a $1.40 annual basis for the stock. Previously, dividends on present stock were paid at rate of 25 cents quarterly, from April 1, 1928, to Oct. 1, 1929, inclusive, none since.

ANNUAL REPORT OF THE DIRECTORS
OF THE

CANADA MACHINERY CORPORATION, LIMITED

FOR THE YEAR ENDED JANUARY 31st, 1944

Balance Sheet, January 31st, 1944

ASSETS

Current Assets:		
Cash on hand and in bank	$ 46,191.38	
Accounts Receivable, **less** Bad Debts Reserve	175,492.12	
Investment in Company's own 4% bonds, at cost	27,000.00	
Inventory, as determined and certified by the management—valued at factory cost for finished goods and goods in process and the lower of laid-down cost or market for raw materials and supplies	568,887.34	
Employees' Balances re Victory Loan Subscriptions	11,213.34	
Prepaid Insurance and Accrued Revenue	672.75	$829,456.93
Life Insurance, Cash Surrender Value		2,442.39
Cash on Deposit for Redemption of Preferred Stock		2,200.00
Refundable Portion of Excess Profits Taxes		49,717.97
Mortgage Receivable		900.00
Capital Assets:		
Land, Buildings, Machinery, Equipment, Patterns, Drawings, etc., at depreciated value, as per appraisal of Canadian Appraisal Co., Limited, dated January, 1927, plus subsequent additions at cost and **less** disposals	1,859,526.04	
Less Reserve for Depreciation	1,277,773.21	581,752.83
Other Assets:		
Goodwill, Patents, Trademarks, etc.	1.00	
Discount on Bonds and Convertible Notes	34,857.25	34,858.25
		$1,501,328.37

LIABILITIES

Current Liabilities:		
Bank Loans	$ 72,200.00	
Accounts Payable	173,916.92	
Deposits by Customers on Unfilled Orders	12,377.06	
Bond and Note Interest Accrued	7,600.00	
Accrued Expenses	17,831.90	
Provision for Income and Excess Profits Taxes, Current Year	55,154.80	$339,080.68
Provision for Undetermined Additional Income and Excess Profits Taxes, Prior Years		150,000.00
First Mortgage and Collateral Trust Bonds:		
4% Serial Bonds dated November 1st, 1940, maturing $30,000.00 on each 1st of November, 1944 and 1945	60,000.00	
5% Sinking Fund Bonds maturing November 1st, 1954	200,000.00	260,000.00
6% Convertible Notes Maturing November 1st, 1955		300,000.00
Capital Stock:		
Authorized:		
312 shares, 7% Non-Cumulative Redeemable Preferred Stock, $100.00 each:		
50,000 Shares, Common Stock, no par value:		
Issued:		
22 Preferred Shares	2,200.00	
26,000 Common Shares	111,000.00	113,200.00
Surplus:		
Earned Surplus	$307,847.69	
Capital Surplus	31,200.00	339,047.69
		$1,501,328.37

Approved on behalf of the Board.
C. H. EASSON, Director. J. G. GIBSON, Director.

Profit and Loss Account, Year Ended January 31st, 1944

Operating Profit before providing for the following items		$357,680.12
Deduct:		
Depreciation	$150,769.34	
Executive Salaries and Legal Fees	23,725.86	
Directors' Fees	3,250.00	
Interest on Bonds and Convertible Notes	31,300.00	
Amortization of Discount on Bonds and Convertible Notes	4,214.25	213,259.45
Net Profit Before Undermentioned Taxes		144,420.67
Deduct:		
Provision for Income and Excess Profits Taxes	104,000.00	
Less Refundable Portion of Excess Profits Tax	14,500.00	89,500.00
Net Profit for Year		$54,920.67

Earned Surplus Account, Year Ended January 31st, 1944

Surplus, January 31st, 1943			$437,002.75
Net Profit for Year		$54,920.67	
Profit on Disposal of Capital Assets		2,780.29	
		$57,700.96	
Less:			
Dividend on Preferred Shares	$ 203.00		
Dividends on Common Shares	26,000.00		
Loss on Sale of Bonds	493.75		
Patent Development Expenses	10,159.27	36,856.02	20,844.94
			$457,847.69
Provision for Undetermined Additional Income and Excess Profits Taxes, prior periods, **less** Refundable Portion			150,000.00
Surplus, January 31st, 1944			$307,847.69

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the books and accounts of Canada Machinery Corporation, Limited, for the year ended January 31st, 1944, and have obtained all the information and explanations we have required. We report that, in our opinion, the above balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at January 31st, 1944, according to the best of our information and the explanations given us, and as shown by the books.

(Signed) THORNE, MULHOLLAND, HOWSON & McPHERSON,
Chartered Accountants.

Toronto, May 2nd, 1944.

EMPLOYERS:

HERE IS THE

TRUTH *about* DEFERMENTS...

DEFERMENTS have been granted in essential industries but, in the critical stage this war is now reaching, *no man who is medically fit and of military age is as essential to any industry as he is to Canada's armed forces.*

The war is not yet won and only *fighting* man-power can bring it to a successful conclusion. Every fit man must now offer himself for overseas service. Every employer must help to make that possible and encourage and hearten all to the task.

Check your personnel today ! Make sure of the status of everyone in respect to clearance with the armed forces.

Find out who should be wearing this badge

GS

The CANADIAN ARMY

Needs men now for Overseas Service

IM2

United States Fidelity & Guaranty Company
TORONTO

"Consult your Agent or Broker as you would your Doctor or Lawyer."

FIDELITY Insurance Company of Canada
TORONTO

Life Insurance in Force In Ontario $3.9 Billions

Tops 1942 Figures by Over $200 Millions — Policies in Force Exceed 3.1 Millions, Up More Than 100,000

Life insurance in force in Ontario at the end of 1943 totalled $3.9 billions, compared with $3.7 billions at the end of 1942, according to figures released by the Ontario Department of Insurance.

The total number of policies in force was 3.1 millions, compared with a little over three millions the previous year.

Figures of gross insurance in force in the province at the end of 1943 follow:

GROSS IN FORCE

Joint stock	Dec. 31, 1943 $	Dec. 31, 1942 $	Reinsurance $	New Insurance $
Aetna	118,285,792	106,738,423	2,429,500	8,081,680
Canada	262,800,581	251,182,311	18,925,831	19,754,839
Commercial Life	4,697,291	3,706,106	7,000	1,876,592
Commercial Union	37,452	39,238	....	....
Confederation	140,342,804	133,644,127	12,271,422	12,365,352
Continental	26,601,953	24,872,841	1,532,503	2,744,758
Crown	69,395,577	62,770,274	3,480,003	9,232,810
Dominion	79,097,606	73,838,110	5,963,179	8,236,408
Dom. of Can. Gen.	11,699,984	10,319,224	2,200,314	1,869,272
Eaton, T.	18,585,096	17,835,400	2,199,955	1,370,201
Empire	26,915,961	25,719,353	506,754	2,459,769
Equitable of Canada	34,528,059	32,807,747	2,921,538	3,251,089
Excelsior	63,478,037	59,166,543	2,961,926	7,063,495
Great West	165,255,069	155,661,132	2,867,849	15,119,951
Imperial	121,706,018	115,241,635	5,548,436	9,771,066
Liverpool & Lon. & G.	44,613	38,733	....	....
London	624,537,057	567,179,735	10,778,788	77,822,640
Loyal Protective	231,461	159,453	1,861	82,000
Manufacturers	141,835,297	131,864,767	2,510,339	14,057,408
Monarch	21,136,623	18,767,243	646,491	2,947,837
Montreal	14,539,095	12,762,498	850,869	2,506,742
National of Canada	22,404,629	21,084,866	2,133,246	1,936,750
Northern	27,023,216	24,718,449	....	3,472,417
Occidental	12,820,019	11,367,397	557,567	2,335,610
Prudential of England	25,491,837	21,560,828	169,616	4,922,861
Royal	7,783,337	7,724,722	682,509	325,989
Sauvegarde	5,505,416	4,862,565	300,522	932,750
Sovereign	13,802,559	12,154,582	277,070	2,646,159
Sun Life of Canada	359,394,014	350,562,169	6,671,241	20,925,152
Travelers of Hartford	54,245,713	54,719,330	....	3,796,941
Western	3,475,863	2,915,057	257,252	1,049,430
Mutual				
Cuna Mutual	1,231,364	817,609	....	286,530
Metropolitan	620,785,955	573,971,043	32,374	66,512,988
New York	38,707,971	38,908,628	77,500	1,583,500
Prudential of America	375,109,852	345,921,802	54,000	42,101,124
Royal Guardians	2,610,519	2,538,177	11,500	187,903
Standard	14,165,931	13,723,713	14,660	560,508
Toronto Mutual	11,709,571	10,647,660	20,000	1,999,447
Other				
Mutual Life of Canada	346,422,378	327,177,845	22,628,119	29,251,730
North America	109,024,077	100,765,205	4,810,808	12,769,630
Norwich Union Life	6,000	6,000	....	....
Totals	3,997,471,647	3,727,462,540	117,312,542	398,212,328

Standard Fuel Co. has declared a dividend of $3 per share on its cumulative preferred shares, payable July 1 to holders of record June 15. Of this, $1 applies to the current quarter, ending June 30, and $2 applies toward payment of arrears, which amounted to $6.87½ per share on April 1.

Car Insurance In Ontario Declines 11%

Drop in Net Premiums Written Lower Than Expected at Beginning of Year

While net premiums written on automobile insurance in Ontario in 1943 were down about $1.3 millions, the decline of a little over 11% was substantially lower than had been anticipated at the beginning of the year.

Net Premiums earned at $11.2 millions were $1.4 millions lower than in the previous year losses also were about $300,000 lower.

The ratio of losses incurred to premiums earned was 41.77% against 40.23% the previous year.

Net premiums written, and the ratio of losses incurred to net premiums earned, just released from the provincial department of insurance, are given below.

Automobile Insurance Premiums and Losses in Ontario in 1943

Companies Joint stock	Net premiums written $	Ratio net losses incurred to net prem. earned %
Aetna Ins.	161	877.64
Agricultural	1,476	....
Alliance Ins.	2,003	24.40
American All.	731	19.41
American Auto. Fire	119,295	34.91
American Auto. Ins.	339,786	52.50
American Ins.	2,412	25.59
Anglo-Scottish	14,238	39.56
Arex Indemnity	9,889	....
Atlas Assurance	66,940	48.31
British America	164,900	68.52
British Canadian	32,967	35.75
British Empire	67,083	40.03
British General	23,407	31.22
British Law	3,973	1.24
British Oak	29,769	68.34
British Traders	61,264	36.14
Caledonian	18,183	52.52
Camden	2,455	.29
Canada Acc. & Fire	68,829	31.72
Canada Security	58,528	36.08
Canadian Fire	119,185	63.74
Canadian General	103,631	35.23
Canadian Indemnity	143,566	46.75
Canadian Surety	72,867	55.33
Car & General	5,193	18.94
Cas. Co. of Canada	99,628	51.40
Century Insurance	14,558	38.69
Commercial Union	38,904	35.78
Consolidated F. & C.	109,834	42.43
Continental Cas.	1,311	56.10
Continental Ins.	......	....
Cornhill	41,789	27.57
Dom. of Can. Gen.	412,197	31.28
Dominion Fire	21,155	27.46
Drapers' & General	5,717	52.84
Eagle Fire	2,466	19.23
Employers' Liab.	252,897	34.82
Employers' Rein.	46,756	47.93
Federal Fire	5,486	44.07
Federal Ins.	31,504	48.30
Fidelity of Canada	73,822	46.12
Fidelity-Phenix	69,853	40.50
Fire Assoc. of Phil.	765	13.07
General Accident	407,383	30.83
General Accid. F. & L.	170,349	37.81
General Exchange	84,981	48.09
General Security	27,892	40.19
Glens Falls	42,624	27.88
Globe Indemnity	94,094	30.94
Great American Ind.	16,230	32.14
Great American Ins.	7,153	18.15
Guardian Assurance	344	....
Guardian Ins. of Can.	110,536	46.51
Guildhall Insurance	69,336	32.07
Halifax Insurance	388,410	47.03
Hand-in-Hand	5,653	46.76
Hartford Acc. & Ind.	90,234	61.24
Hartford Fire	14,772	61.66
Home Ass. of Canada	14,403	13.10
Home Insurance	67,459	43.94
Imperial Guar. & Acc.	79,734	53.62
Imperial Ins. Office	11,791	19.23
Indemnity of America	18,834	94.24
Insurance Co. of N. A.	7,572	15.99
Law, Union & Rock	10,398	24.54
Liver. & Lon. & Globe	50,772	32.86
Liverpool-Man.	9,835	32.67
London Assurance	33,327	59.33
London-Canada	24,743	50.64
London & County	863	50.81
London Guar. & Acc.	82,087	45.09
Lon. & Lanc. G. & A.	44,929	26.24
London & Lancashire	28,758	8.56
London Prov. M. & G.	11,535	38.84
London & Scottish	4,015	31.37
Marine Insurance	1,138	35.47
Maryland Casualty	21,598	78.94
Merchants Fire	30,570	54.07
Merchants Marine	5,325	....
Mercury	2,703	68.92
Met. Casualty	201,043	46.80
Motor Union	31,498	19.62
Nat.-Ben. Franklin	55,545	38.52
National Union Fire	12,268	29.86
Newark Fire	7,838	41.14
New Hampshire Fire	2,719	112.64
N. Y. Underwriters	1,150	21.35
New Zealand	6,570	48.37
North Brit. & Mer.	44,541	10.46
Northern	103,759	55.05
Northwest Cas.	91,485	63.15
Northwest. Nat.	3,398	47.37
Norwich Union	180,411	41.00
Occidental	9,203	15.39
Ocean Acc. & Guar.	134,664	31.75
Pacific Coast	13,918	40.36
Palatine	14,629	31.21
Patriotic	3,471	....
Pearl	90,327	51.71
Phenix of Paris	463	.42
Phoenix Ass.	46,551	47.91
Pilot	524,433	24.13
Providence-Wash.	5,005	3.85
Provincial Ins.	43,312	62.68
Prudential Ass.	126,797	43.46
Queen	9,528	41.13
Railway Pass.	21,070	3.24
Royal Exchange	25,215	60.64
Royal Insurance	120,078	35.14
St. Paul F. & M.	8,352	27.10
St. Paul Mer. Ind.	15,059	32.78
Scottish Met.	34,090	82.88
Scottish Union & Nat.	43,999	67.97
Sec. of New Haven	2,211	86.83
Southern	4,746	39.56
Sun Ins.	31,422	22.53
Svea	205	.52
Toronto General	84,788	34.93
Travelers Fire	24,926	42.03
Travelers Ind.	161,672	31.58
Union Ass.	17,555	31.22
Union F., A. & G.	24,586	48.68
Union of Canton	113,776	36.14
Union, Mar. & Gen.	21,878	67.47
U. S. Fid & Guar.	164,483	28.00
U. S. Guar.	18,759	49.26
Wellington Fire	165,777	34.69
Western	261,307	55.54
World Mar. & Gen.	41,471	67.04
Yorkshire	49,837	25.90
Zurich	253,092	36.48
Mutuals		
Canadian Merc.	1,851	111.51
Central Mnfrs.	2,187	28.80
Com. Mut.	877	111.01
Economical	243,623	47.70
Gore District	83,116	25.33
Hardware Dealers'	1,386	5.77
Liberty Mutual	13,100	1.85
Lumbermen's Mut. C.	352,866	32.83
Mutual Imp. & Hdwe.	1,386	5.76
National Retailers	57,080	33.99
Northwestern Mut.	1,624	....
State Farm Mut.	77,215	34.48
United Mutual Fire	3,561	24.51
Wawanesa	300,968	42.45
Other		
Gen. Ins. Co. of Am. (Unlicensed)	59	....
General Rein. (Unlic.)	20,279	88.74
N. Star Rein. (Unlic.)	355	....
Affil. Under. (Recip. Exchange)	6,149	52.56
Non-M. U. at Lloyd's	1,039,665	50.44
Totals for 1943	10,535,991	41.77
Totals for 1942	11,840,998	40.23

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Insurance Reports

Prudential of England

Prudential Assurance Co. of London, England, at the end of 1943 had assets totalling more than $1.8 billion, or $70.4 millions more than at the close of 1942, calculations being made at $4.45 to £1 sterling. Increases in premium revenue were also considerable. Sums assured in the life department amounted to $349.3 millions (ordinary branch) an increase of $8.1 millions over the previous year.

In the general department, premiums received after deduction of reinsurance, amounted to $12.8 millions, or $705,730 more than in the previous year.

Of total assets, 95% are invested in the British Empire. Over 12,000 of the staff have engaged in national service; 343 have been killed or died; 224 are prisoners of war. Over $499 millions have been invested in war loans of the countries in the Empire.

In Canada, new business paid for in the life branch, amounted to $11.1 millions exclusive of increases, revivals, etc., constituting a record. Net premium income for the year was $1.9 millions and total assurances in force were $55.6 millions, in addition to annuities of $447,018.

Total net premium income for fire casualty and inland transportation business was $1.7 million or $108,313 over the previous year.

The Prudential of England operates in Canada under the management of Hartley D. McNairn, formerly superintendent of insurance for Ontario, succeeding F. C. Capon, who retired from the position of Canadian life manager and joint chief agent of the company. W. G. Wilson continues as manager of the fire and casualty departments.

Higher Pay Ordered In Que. Industries

From Our Own Correspondent

MONTREAL.—Revision in wage rates in two industries in Quebec province has been ordered by the Quebec provincial government.

All employers in the men's and boys' clothing industry are ordered to pay an increase of 5% in hourly rates fixed on June 28, 1941, when there was an increase of 20%, making total increase 25%. Piecework wage rates must be raised 21% to 25%.

In the baking industry, minimum wage for foremen and dough men is set at $28.45, with rates for foremen moving up to a minimum of $35.45 in case of larger firms. Detailed schedules also are set for minimum wage payments in various other worker classifications, in this industry.

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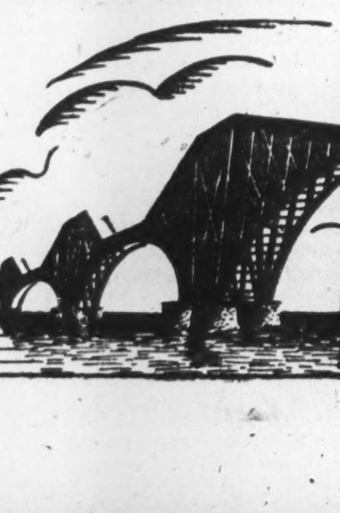

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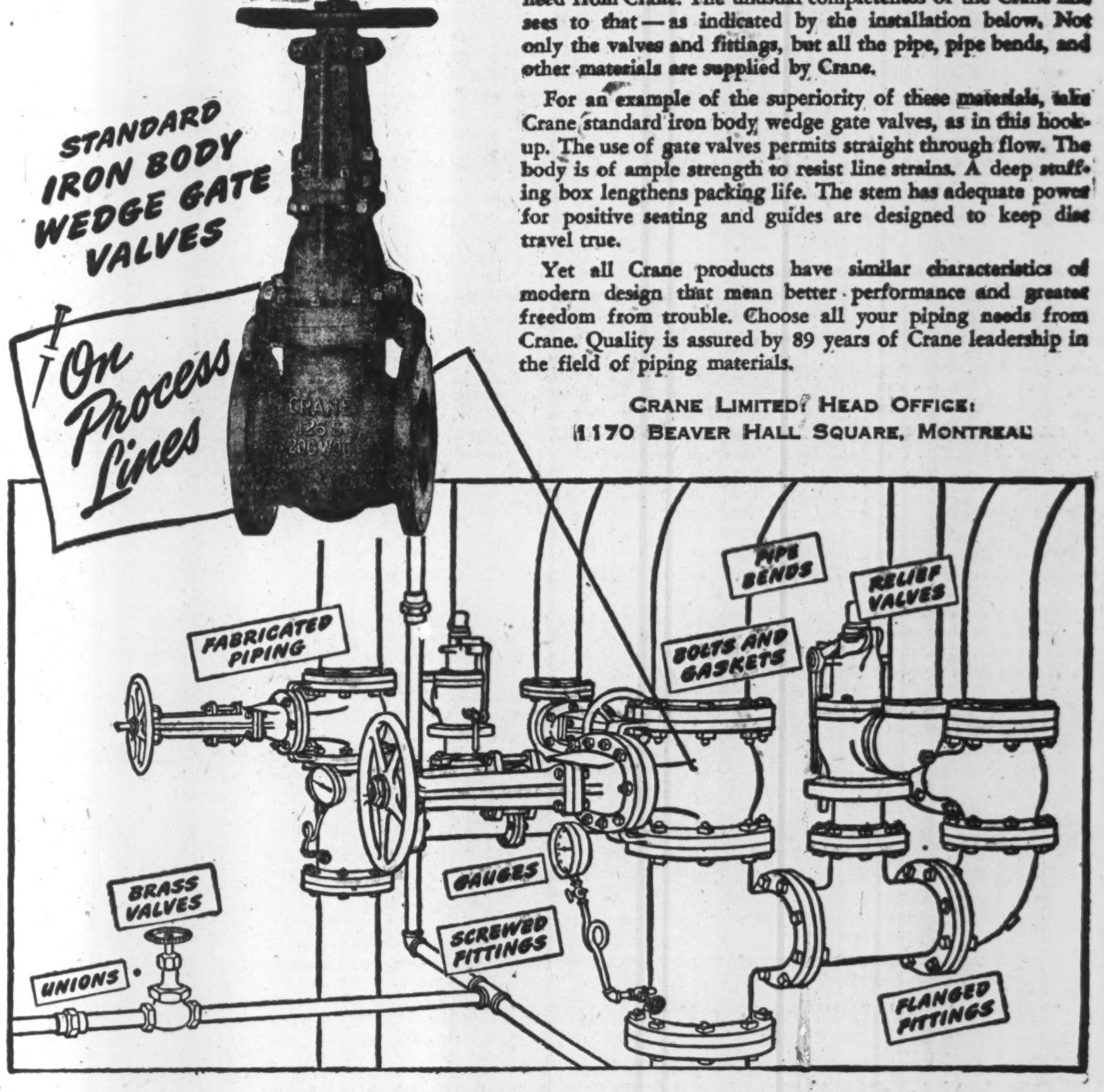

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See Small Loans Feeding Banks

Some Claim New Effective Interest Rate Higher Than 9¾%

Finance Minister Ilsley's proposal to authorize the chartered banks to make small personal loans up to $500 at a discount rate of 5% or an effective rate of 9¾% meets with a varying reception among the banks and the small loan companies.

The effective rate indicated by Mr. Ilsley at 9¾% is somewhat less than that calculated in other quarters, which in some cases runs well over 10%. It compares with a rate of 2% per month on the outstanding balance allowed the small loan companies, and is also lower than the rate charged by chartered banks which made loans of this kind repayable on an installment basis. Loans made on this system usually bore a discount rate of 6%, which works out at an actual rate of 11% to 12%.

Believe Rate Sufficient

Mr. Ilsley, speaking on this clause of the new bank act, setting the rate for small loans for the banks at 5%, said he might possibly have gone too far in his endeavor to keep the minimum charges low. All the banks interviewed by The Financial Post, however, indicated a belief that the 9¾% rate was probably sufficient although most stated it is impossible to say in advance, having regard to the loss experience, etc.

In general the position taken by the banks is that they have always made small loans. Most of the banks seem to have made these loans in the ordinary way at regular rates of interest. In other cases, however, and the Canadian Bank of Commerce has been prominent in this, loans were made repayable on an installment basis on a discount rate of 6%. This, it is stated, worked out at an actual rate of around 11% to 12% compared with the new effective rate of 9¾%.

Among banks that have not specialized in small loans, the new legislation is not expected to make a great deal of difference. Some banks, while ready to make personal loans when asked for them, do not appear to be very much interested in the legislation because they say they have always been ready to make personal loans at reasonable rates and will continue to do so.

Public Relations Factor

In other cases, however, small personal loans are regarded as a big factor in public relations, tending to get people to make use of the bank, and creating a closer relationship between banker and customer than otherwise existed.

Before the Banking and Commerce Committee of the House of Commons, James Stewart, assistant general manager of the Canadian Bank of Commerce, explained the working of the small loan business in his bank.

The small loan department of the Canadian Bank of Commerce, he said, was organized in June, 1936, to engage specifically in making personal loans on the budget or monthly installment plan, providing for payment over 12 to 18 months. Chief reason was the wish to meet the criticism that the services of the banks were not sufficiently available to wage earners and others needing small loans. It was also believed making these small loans would bring to the bank a certain amount of goodwill and collateral business. Some profit was also expected in the course of time.

Mr. Stewart explained the bank had always made small loans but these had been mostly to people with financial background, while the new departure was intended for the wage earner group, whose claims for credit rested on earning ability and integrity rather than financial worth.

That the new department is supplemental to the bank's ordinary small loan business, he stated, is indicated by the fact that despite the number of small personal loans made in the personal loan department in the last 7½ years, the small loans under $500 made in the ordinary commercial banking field have increased in the same time by 25%.

Distinguishing Features

Distinguishing features of a personal loan he indicated were

1. It is repayable at the end of a definite period, 12 months, with a few exceptions, but there is a privilege given to repay the whole loan at any time.
2. A discount of 6% of the amount of the loan is taken at the outset and an adjustment made in case of prepayment.
3. The borrower may not make interim payments on the loan but is required to make equal monthly deposits which will retire the loan at maturity. A passbook is issued for these deposits and interest is allowed at current rates.
4. In addition to the interest charges, there are certain charges on a graded scale.

Two Guarantors Needed

Because it was felt necessary to protect the bank against the possibility of the borrower losing his employment, the bank originally called for two guarantors on each loan. Now about 20% of the loans are made on signature of husband and wife only and a further 30% with only one outside endorser. A blanket life insurance policy is also taken out to cover the borrower, which both protected the bank and the guarantors alike in event of death. The premiums on this insurance have been reduced from 50 cents a $100 to 25 cents. Minimum loans were set at $60, with monthly deposits of $5. On a loan of this size, said Mr. Stewart, the income scarcely covers the cost. Since 1939 the demand for personal loans has steadily decreased.

Losses Mr. Stewart placed at one twentieth of 1%.

Total to Dec. 31, 1943

Up to Dec. 31, 1943, the bank made 421,000 loans for a total of $68.5 millions, an average of $163. In the same period small loans under $500 to people who could put up security or had some financial background totalled 1,791,000, for a total of $263.6 millions. Mr. Stewart claimed that as ordinary loans under $500 in the ordinary way totalled 190,400 for $27.3 millions in 1936, whereas the total number in 1943 was 237,500 for $33.1 millions, the new department had been a feeder for the ordinary bank business.

Says Effective Rate 13½%

J. J. Kinley (Liberal, Queens-Lunenburg) claimed that on a loan of $120 the rate of interest was actually 13½%.

Mr. Stewart replied that G. D. Finlayson, superintendent of insurance, had figured it at 11.78%.

Replying to a question Mr. Stewart stated the experience of the bank as regards losses had been excellent. Asked if the discount rate of 5%, suggested in the amendment to the Bank Act, was sufficient to carry on this type of business and still show a reasonable profit, Mr. Stewart said at the present time the banks could not operate on the 5% rate but with the amendment now proposed, much bookkeeping will be eliminated and he hoped the savings will be sufficient to enable the banks to carry on on a 5% discount basis.

Legality Questioned

When W. Ross MacDonald (Lib., Brantford) asked if the bank, in charging an effective rate higher than 7% was not exceeding the powers given by the Bank Act, C. S. Tompkins, inspector-general of banks, stated the Canadian Bank of Commerce had taken what it considered competent legal advice on the whole plan and were advised it was quite within the powers of the Bank Act. No person that he knew of had disputed the legality of the bank's action in the courts. Mr. Tompkins stated he believed the practice legal.

Bank's Holding Of Bonds Up

Total Assets of Bank of Canada Rise — Note Issue Down Slightly

Total assets of the Bank of Canada are about $20 millions higher, according to the statement for the week ended May 31. The increase was in investments and miscellaneous assets.

On the liability side, deposits of the chartered banks were up substantially, other deposits being down. Note circulation was slightly lower and miscellaneous liabilities were down.

	May 31 1944 $	May 24 1944 $
Liabilities		
Capital paid up .	5,000,000	5,000,000
Notes in circ.	911,543,120	911,655,098
Rest fund	8,041,601	8,041,601
Deposits: Dom. .	101,803,,512	113,816,922
Chartered bks.	377,653,249	346,005,126
Other	26,600,277	29,793,027
Total deposits . .	506,057,038	489,615,075
All other liabs. ..	21,075,457	17,628,118
Total liabs.	1,451,717,216	1,431,938,892
Assets		
In Sterl. & U. S.	258,221	260,713
Subsid. coin	490,531	518,244
Advances	2,600,000	2,100,000
Investments:		
Dom. gov. sh. .	878,990,369	866,690,878
Oth. Dom. gov.	548,708,613	545,500,888
Total invest.	1,427,698,982	1,412,191,766
Premises	1,979,712	1,984,539
All other assets .	18,689,770	14,884,630
Total assets	1,451,717,216	1,431,939,892

Quebec Hydro Lists New Power Rates

From Our Own Correspondent

MONTREAL.—Announcement by Hydro of Quebec (which took over properties of Montreal Light, Heat & Power Consol.) of details of new rates reveals that the new rate per kilowatt hour for domestic consumption in private homes will be two cents for the first 15 K.W.H., with minimum of 60 cents; 1.3 cents for from 61 to 200 K.W.H., and all over 200 K.W.H. eight-tenths of a cent. The former charge of two cents for privilege of paying a bill at a bank has been dropped.

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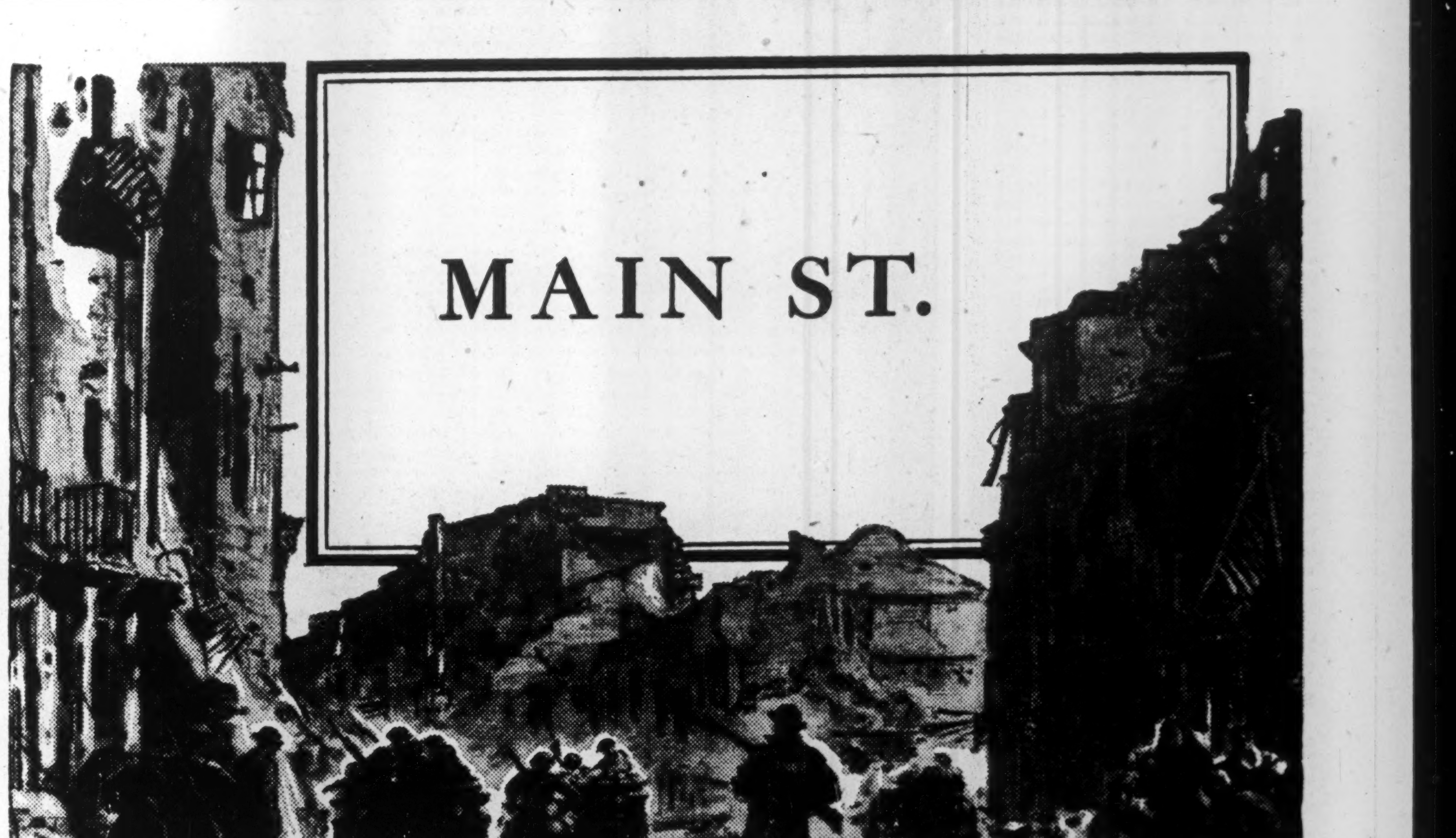

THIS is Main Street somewhere in Europe.

These shattered buildings were once busy shops and offices. The rubble-strewn sidewalks were once thronged with people. It will be a busy street again . . . someday.

The ravaged cities of Europe and Asia must be rebuilt. When V-Day comes the world will look to Canadian factories and farms for materials of reconstruction and repair, for food and clothing and household goods . . .

In the face of such a need, is it conceivable that we should have idle hands or minds in Canada after the war? Canada will be a busy place when Victory is won.

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THE ROYAL BANK OF CANADA

Free Trade, "Regulation" Debated in Gt. Britain

British C. of C. Favors International Code Based on Free Trade Principles — Crowther Groups For Intervention Policy

By BLAIR FRASER
Special Cable

LONDON.—Great interest centred here recently on the report published Monday by the British National Committee of the International Chamber of Commerce. The report, which advocates an international economic code to the adherence of all like-minded countries, is based on free trade principles and takes lively issue with the currently popular "regulation" schemes.

The report was prepared by the subcommittee on international trade, headed by Arthur Guiness, well-known practical businessman, and including such prominent men as Sir Alan Anderson, G.B.E., former deputy governor of the Bank of England; Sir William Goodenough, former director of the Dominion Colonial Overseas Branch of Barclay's Bank; and Sir Warren Fisher, former permanent secretary-treasurer and head of the civil service.

Alternatives Suggested

The alternatives stated in the report are, on the one hand, forcing up exports by currency depreciation, or subsidies tying exports to import transactions, otherwise boosting British exports at the expense of other nations; or, on the other hand improving the quality and price of goods, thus securing a freer field for competition on their merits on the world markets and working for the expansion of world trade in general.

The report adds, "The pursuit of these latter three aims is the only general policy consistent with British interests, but its adoption will raise problems which cannot be belittled. It must involve in due course considerable displacements in industry in the United Kingdom as well as elsewhere, and therefore calls for a high degree of business initiative and labor mobility. It demands a positive and unambiguous lead before the war ends from the United Nations, above all from London and Washington."

Alernative Like 1930's

The alternative to this choice, says the report, is a relapse into conditions of the 1930's. It notes that such a policy might be frustrated either by the reluctance of the United Kingdom Government to face the risks and difficulties involved or "from the unwillingness of a sufficient number of other powerful governments to co-operate." And particular aspect of the conditions of the 1930's noted is the fact that "currents of trade are governed by the shifting pulls of political power without any ruling principle of law and order."

In attacking the restrictions and regulations of international trade, the report specifically rejects three "popular devices" for forcing exports; "discrimination, that is, the imposition of exceptional disabilities on the import goods of a certain country to the United Kingdom, unless its government affords exceptional facilities to imports from the United Kingdom. Bilateralism, that is, trade agreements which make it a condition of the United Kingdom's admitting imports from a given country that that country's government admit an equal value of United Kingdom goods. Quantitive regulations of trade, that is, fixing—whether by international organization of the industry concerned, which must have government support and compulsion to make it effective, or by the governments themselves."

Favor Intervention

Devices like these are suggested in proposals of a group for whom Geoffrey Crowther is the recognized spokesman, and who favor intervention with the natural course of international trade in certain cases, in an attempt to maintain its volume. This international Chamber of Commerce report appears to draw the issue sharply between two schools of thought on international trade in Britain.

Actually the issue is not drawn quite as sharply as might appear. The Chamber of Commerce report contains this unobtrusive but important qualification, "naturally if it should prove to be impossible to secure co-operation and fair reciprocity from a sufficient nucleus of the world's governments to work along these lines, which can be described as a moral obligation on peacemakers, the United Kingdom Government would have to reconsider its policy and decide in an opportunist manner what devices and weapons it would use for the advancement and protection of its own subjects but this would be a failure of the policy and an admission by all countries of defeat."

Crux of Argument

This is where the crux of the argument lies. The Crowther group apparently would prefer to have no international trade system if it had to forswear all interference with trade, such as bulk purchase or an import-export tie-up. Support for the extreme version of that position appears slight in The City. But adoption of the alternative policy of free trade and open competition depends on co-operation of the United States, and opinion generally is pessimistic here as to the likelihood that that will be obtained.

It seems fair to say that Britons want more assurance than speeches and lofty sentiments before betting any great amount on the feasibility of a mutual open market between themselves and the United States. They think that the most that could be hoped for from the U. S. Congress would be an unscalable tariff wall reduced to a slightly lower but equally impregnable level, while in return Great Britain would be expected to abandon not only the imperial preference, etc., but trade practices which are believed here to be valuable, such as a degree of industrial organization which offends American trust-busting sentiment.

Incidentally, the Chamber of Commerce remarks pointedly, "freedom of restrictions on employment and from subsidies to ships is as important as freedom for trade. Efforts to reserve national trade to national ships constitute as much a trade barrier as any of the better-known variations." This underlines the charge often made here that Americans are against any form of interference with any industry except shipping, which they want to subsidize.

The Chamber of Commerce notes that the hoped-for trade expansion cannot occur without considerable displacement of industry, especially to producers like British agriculture, whose competing suppliers are cut off by war, or producers of war materials like iron and steel. Says the report: "The policy makers must face this issue and come to a definite decision. The effort to preserve each of these industries everywhere at the wartime peak can only result in disaster."

Two solutions are suggested:

One, during the transition phase, to ease by internationally concerted regulation, the contraction of these war-swollen industries and location of the surviving portion in the best places.

Two, as a permanent feature to arrange internationally the slowing down, but not the prevention of, displacements of industry caused by new competition, where the shift appears likely to cause excessive hardship.

Dosco Outlays In War Listed

From Our Own Correspondent

MONTREAL.—Dominion Steel & Coal Corp. from 1939 to 1942 has spent approximately $10½ millions on plant improvements, less slightly over $3 millions still owing the Federal Government for rehabilitation of the Sydney plate mill, Arthur Cross, president of the company, revealed at a Royal Commission enquiry in New Glasgow, N.S. In 1943, further expenditures included $2 millions paid out for work at the Canada Tube plant in Montreal. There has been no expenditure during these years, however, on improving the steel plant at Trenton, N.S., except for minor improvements to boilers.

Mr. Cross stated that expenditures for improvements at various plants had been provided out of each unit's own funds, with main reason for expenditures to provide facilities for turning out war materials, although in a few cases desire was to reduce costs. The Trenton steel plant has not had the money available for such work, Mr. Cross said, and even if it had he would not have considered expenditures justified as he deemed it unsound to produce 1,000 miles away from the market when competing firms were situated right in the market.

Mr. Cross appeared before a Royal Commission which since last winter has been investigating for the Nova Scotia Government the reason for last fall's shut-down of the rolling mills and nut and bolt department at Trenton, with layoff of 1,000 workers.

Mr. Cross said closing of the plant had been considered for some years, and then last year the War Labor Board ordered pay increases for the Trenton plant. Munitions Minister Howe said he was anxious to have manufacture of railway axles, and marine forgings continued, but was interested in assisting the Trenton plant only so far as war needs were concerned. With no help evident from Ottawa, said Mr. Cross, the only alternative for the company was closing the Trenton plant.

Bathurst Net Lower For March Quarter

From Our Own Correspondent

MONTREAL.—Bathurst Power & Paper Co. Ltd., reports for quarter ended March 31, 1944, profits of $109,975, subject to audit and year-end adjustments, after depreciation and depletion but before providing for Dominion income and excess profits taxes, comparing with corresponding profit figure of $117,739 for March quarter of previous year.

Provision in both years for income and excess profits taxes, it is stated, was at rates aggregating 40% of net profits which, in the company's opinion, are subject to tax. But, it is continued, the actual liability for such taxes cannot be calculated until the Board of Referees has given a decision on the company's application for determination of a "standard profit," and "until the settlement of certain differences with the Income Tax Department."

The company's current assets, as of March 31, last, including cash and marketable securities of $2,360,584, amounted to $5,800,011, and current liabilities were $957,622.

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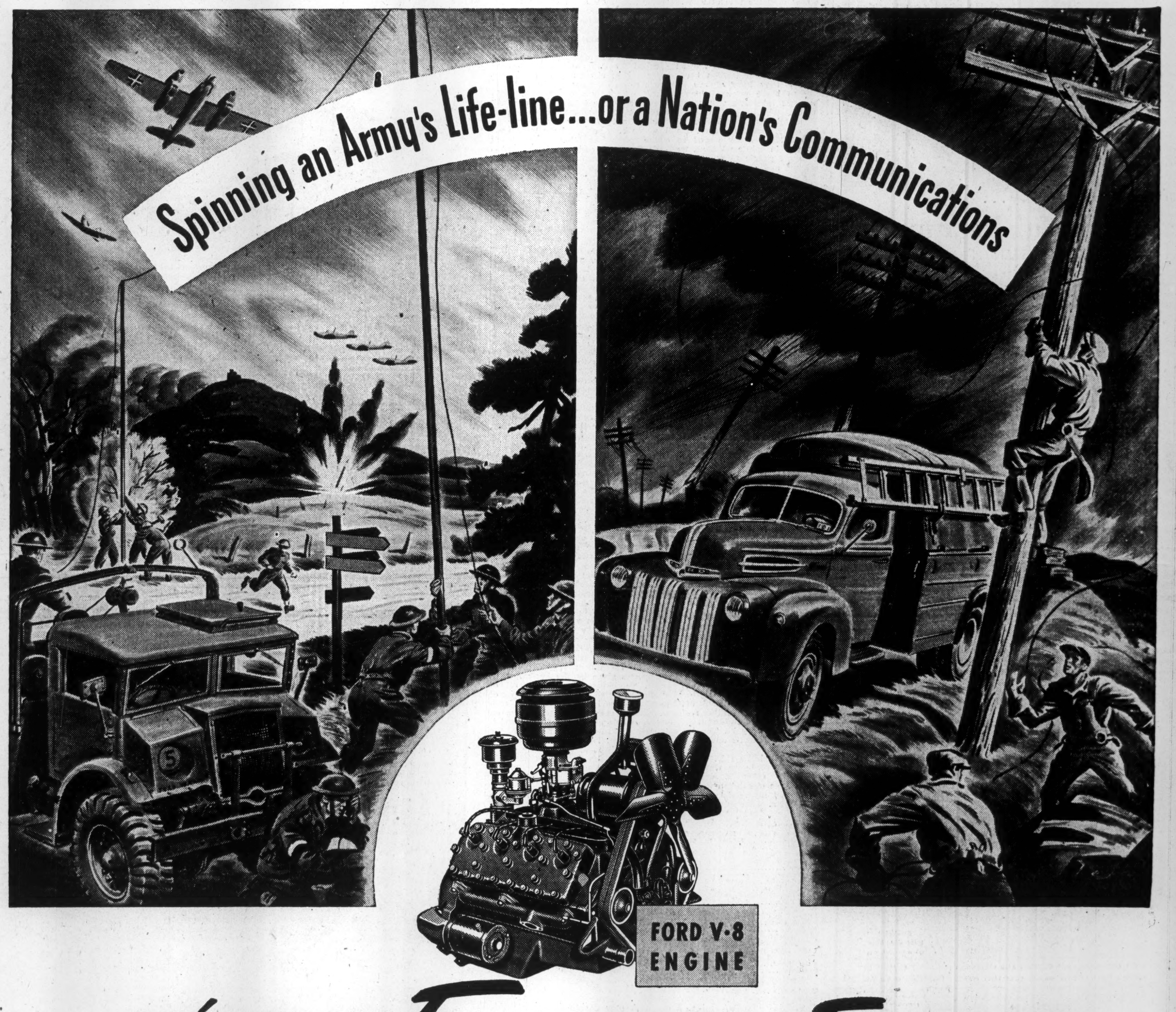

IT'S THE ECONOMY ENGINE

RIGHT ON THE HEELS of our advancing troops a cable-laying truck speeds up the road, spewing out telephone cable as it goes. At a cross-roads the operators leap out and erect poles to carry the cable, or bury it for safety beneath the roadway. Soon the network of communications is bringing in reports and carrying orders to the various army units.

. . . . .

A storm strikes in Canada, telephone poles crash to the ground, and vital threads of communication are broken. But in a few minutes a service truck is at the scene of the damage, wires are connected up and vital messages of a nation at war are again speeding from city to city or across a continent.

. . . . .

A very large percentage of the trucks which serve the Allied Nations here in Canada and on the far-flung battlefronts are rugged, dependable Ford Trucks. The power plant which drives these trucks is the Ford V-8 Engine.

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The Shadow on Canadian Aviation

While Our Domestic Air Policies Remain Indefinite
Expansive Programs Suited to Canada Are Held in Abeyance

By KENNETH R. WILSON

Until there is further clarification of government policy, there is considerable shadow around the otherwise bright future of commercial aviation in Canada.

Possibilities for commercial aviation in a country such as Canada are obvious and almost limitless. There can be little argument about that. Our geography, climate, resources, and trained manpower all point in the direction of an important air future.

What is of immediate concern to postwar commercial aviation is the effect of present or proposed government policy, as outlined in the House of Commons last March by Hon. C. D. Howe.

No Clarification Yet

Mr. Howe's policy for domestic operation of civil aviation professes "to plan for an orderly and rapid expansion of our domestic aviation when the proper time comes." No light has yet been shed on just what that means.

Meanwhile, the government, through Mr. Howe, as Minister of Transport, has made it clear that successful development of an air transport business of a sort or variety that would offer a challenge to the government-owned Trans-Canada system is not welcome.

Mr. Howe, on March 17, announced as a matter of government policy, that both Trans-Canada Air Lines and the Canadian Pacific Airlines were to be divorced from their present ownership as part of Canada's two great railway systems. In the meantime, he added, "no new air routes other than government-operated routes will be allocated to air lines owned by any railway or other operator of surface transportation." The term surface transportation, says Mr. Howe, includes "railways, shipping companies and highway transport companies."

The only loophole in this barrier appears to be the one introduced by Mr. Howe on June 6, when he stated that the ban on other transport agencies engaging in aviation would apply "unless the Governor-in-Council is of opinion that it would be in the public interest that such a license be issued." The qualification clearly provides a most convenient avenue of escape from the earlier and heavily criticized position taken by the Government.

Employment for RCAF Men

Mr. Howe stated that the Government wanted rapid postwar development of air transport services so as to offer maximum postwar employment to RCAF personnel. Canada's northland, he stated, "was pioneered by small operators who were content to enlarge their operations only as warranted by the development of the area they served." Mr. Howe added:

"The government believes that feeder line operations and pioneer lines into our northland, can best be developed as small operations. Our returning airmen will not be satisfied, in entering this new field of employment, to serve only as salaried employees. In this new medium of transportation there must be a place reserved for small business enterprise."

Some of the Difficulties

Difficulties, doubts and fears raised by this outline of proposed policy are many. Some of them may be summarized as follows:

1. Are there to be only two kinds of operators in Canada in future—TCA and "small fry?" Is any large successful "feeder" and development service (such as CPA turned out to be) not to be countenanced?

2. As yet, no attempt has been made to indicate, where, if at all, the line is to be drawn between "main line" and "feeder" services. At first, TCA was to be a publicly-owned monopoly in respect of main line and international air services. Is this monopoly now to extend wherever any small operator turns a "feeder" line into a successful corporate, large-scale enterprise?

3. Is there apparently no future for any "surface" transportation agencies, to make a logical investment in air transport as a link with existing services?

Monopoly for TCA

It has been clear for many years that government policy was reserving for Trans-Canada a monopoly of main line and transcontinental services across Canada. Originally, in 1937, it was proposed to have TCA jointly owned and operated by the CNR, the CPR and what was then the chief air service in Canada—Canadian Airways. The two latter organizations were not satisfied with the terms proposed, so withdrew, leaving TCA to become a wholly-owned government corporation operated for convenience as a subsidiary of the CNR. Essentially TCA purpose was to provide a first-class main line transcontinental air service. This it has done, without question.

Subsequently, in 1940, CPA was formed as a subsidiary of the CPR and purchased control of a number of individual air lines operating in various parts of Canada, chiefly in the Canadian Northwest. Until recently there has been no objection to this unification and development policy; in fact, considerable encouragement was given CPA to develop and extend its services along "feeder" lines which were for the most part wholly noncompetitive with the existing main line transcontinental service of TCA. But even under the new policy of divorcing CPA entirely from the CPR, no clear definition has been given as to where the line is to be drawn between "main line" and "feeder" services, or between "local" and main line services.

For instance, on March 3 of this year, CPA announced that it had applied for licenses to operate purely local or feeder traffic services between some 60 smaller Canadian communities in Ontario, Quebec and the Maritime provinces. Since TCA was presumably interested only in main line or "through" traffic, this application, whether on the part of CPA or any other corporation, competent to give adequate services between these points, seemed logical and reasonable.

Similarly, the Toronto Transportation Commission, acting on behalf of its inter-urban bus company, Gray Coach Lines, made application "for permission to operate helicopters" and to "integrate such helicopter routes with the coach services now operated, making use of present coach terminals, agencies, shops and repair facilities as may be suitable."

As stated last week in the TTC annual report:

> "Through helicopters, air service can be provided for smaller communities, which cannot conveniently be served by regular air lines. The service proposed will not compete substantially with that of any present carrier, but on the contrary should act as a feeder to and augment the traffic of such other carriers. . . ."

Yet such developments, though they seem both logical and reasonable, and were, in fact supported vigorously by Mr. Howe in 1937 when he argued for linking airways and other existing forms of transport together seem now to be in direct conflict with the newly-stated purpose of government policy—namely that no surface carrier can in future have any connection with the development of air service.

Until some clarification is made, the future of air services for local communities seems therefore to be highly uncertain.

Even if it wished to do so, TCA will not, apparently, be in a position, postwar, to develop local or feeder services all across Canada. The job of extending and maintaining a first-class main line or transcontinental service — quite apart from transatlantic and cross-border services into the U. S. A.—will in itself be a gigantic task for one single enterprise.

Yet if present "surface" transport services are to be debarred, the field for efficient, safe and economical enterprise will be very definitely limited. Experience in the United States and other countries has proven clearly that this is no place for "small fry" and that the needs of safety and efficiency alike demand an organization backed with a proven record of good management and experience.

U. S., Canada Problem

Something of the same problem arises as between Canada and the United States.

At present, and under wartime conditions, a one-sided "status quo" exists whereby the U. S. lines are permitted to operate nine lines into Canada compared with one Canadian line going into the U. S.

As at January of this year, when the Civil Aeronautics Board decided to restore to its "active" calendar, all applications involving service to Canada, there were no less than 20 certified or noncertified applicants, representing some 27 separate "dockets" for different air routes either into or across Canadian territory.

One important question now being raised is where Canada is going to stand if there is to be only one company (TCA) with authority to extend its lines from Canada into the U. S. A. and if so, what chance will there be of a fair division of operations between the two countries, with a score or more of U. S. corporations seeking and willing to develop this traffic?

Already, on the West Coast there is an important example of a route from Canada to the U. S. which a Canadian company (CPA) is willing and anxious to operate but for which no franchise can be obtained, presumably, because this and similar opportunities are being reserved for the government-operated TCA.

Many Opportunities

As was indicated earlier in this article, there are, apart from immediate matters of government policy, many and varied opportunities for commercial aviation in postwar Canada.

When giving evidence before the Railway Committee of the House of Commons last March, H. J. Symington, president of Trans-Canada Air Lines, expressed the view that if machines were available, his company would put on four transcontinental services and six Montreal-Windsor runs per day.

The growth of revenue miles flown by this one company since 1939 (despite the restrictive influences of war) indicate something of the need and possibilities.

Thus in 1939, TCA (which is essentially a main line or transcontinental service) flew about 2¾ million revenue miles. In 1943, it flew 8¼ million miles. Ignoring fractions, the steps have been like this: 2, 4, 6, 7, 8—since the beginning of the war, despite the fact that this particular company has had very limited increase in its equipment and, in 1943, actually operated with one less machine than in 1942.

CPA Record Impressive Too

Equally impressive has been the growth and development of CPA—again in spite of the handicaps of war. In 1942, this company's planes flew 5.2 million miles and in 1943 over 6 million miles. It carried only half the passengers of TCA but more than 11 times the number of pounds of air express.

Comparable figures for the two companies in 1943 appear in the accompanying table.

Great Facilities Available

As well, there is the tremendous development of air fields and of technical and other services which have been undertaken in Canada as wartime developments. Roughly, the facilities by way of public investment in airways, bases, aids to flying, meteorological and beam services, etc., which are available presently for public use, are estimated to be worth about $95 millions. Added to that there is a further expenditure (now acquired in toto by Canada through recent dollar transfers with the United States) of between $63 and $65 millions on the Northwest Staging route and on flying strips and other improvements in that area. There is also the vast expenditures on the Air Training Plan—some of which will have postwar value or can be salvaged for use in postwar commercial transport.

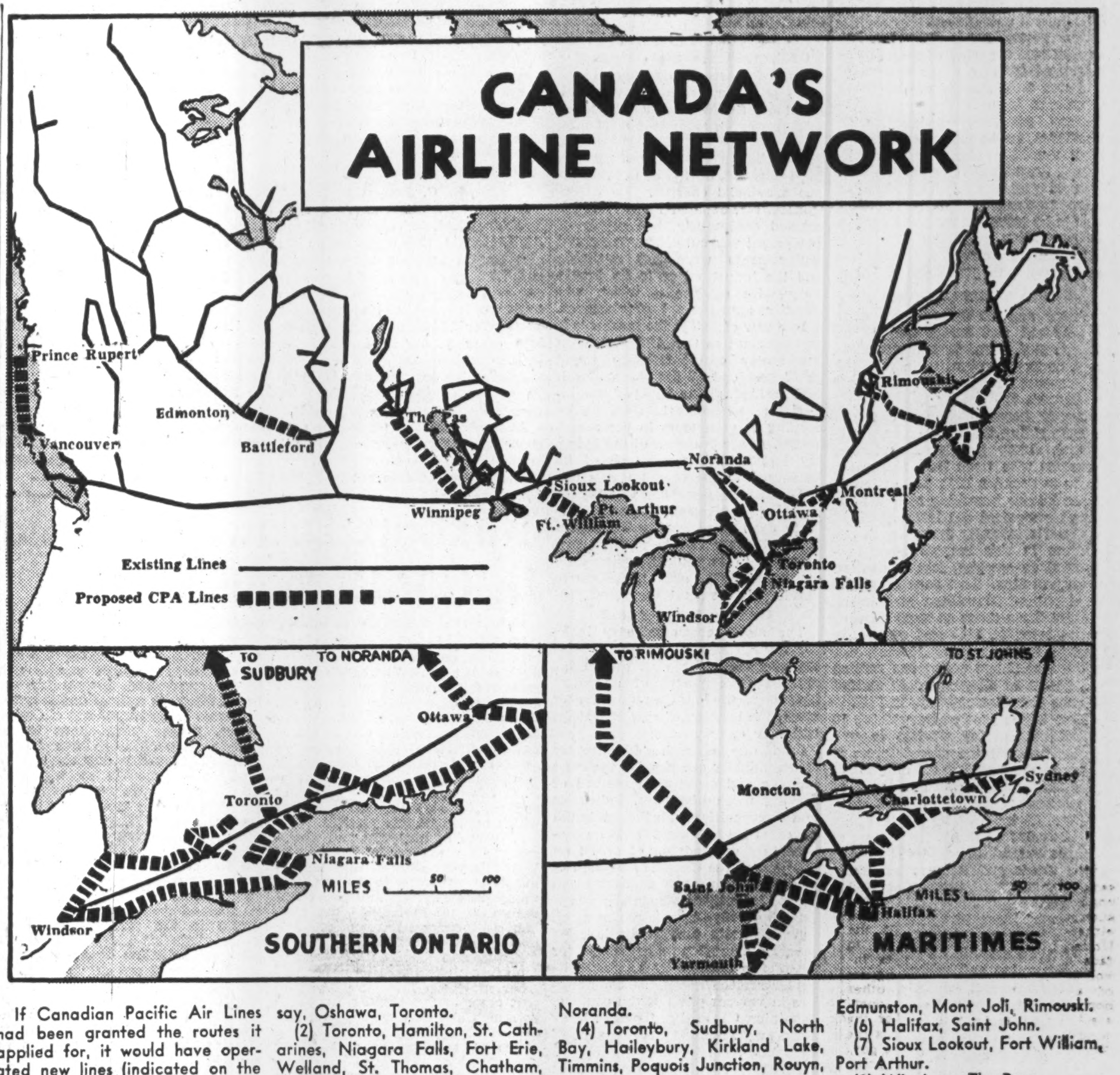
Also on the "asset" side is the preparation now under way to to make in Canada the aircraft which presumably is to bear the brunt of Canada's postwar commercial development--the DC-4. It is argued that so great is the demand for this type of machine, that there would be considerable difficulty in getting delivery of sufficient number to meet Canada's postwar need. The fact that a Canadian license has been made available and that 50 machines are now on order with Canadian Vickers at Montreal is part of a plan to have available a first-line plane to meet postwar expansion in the commercial field. It is presumed that most of these machines will be used by TCA and by whatever company or organization replaces the present CPA setup.

Won't Lack Men

There should be no lack of trained and expert airmen and crew to fly these machines and to supply manpower for postwar development. The problem is, of course, the reverse. For every job in postwar aviation in Canada there will probably be ten or twenty men able and willing to fill such positions, not only in commercial air services but in the pioneer exploration and development which put Canada in the forefront of airminded nations before the war.

AIR LINE COMPARISONS, 1943

	TCA	CPA
Miles flown	8,255,000	6,030,000
Route miles	4,903	12,000
Revenue	$9,379,500	6,100,000
Aircraft (number)	23	80
No. of employees	2,343	1,500
Passengers carried	140,300	70,000
Air express carried (lbs.)	821,600	9,100,000
Air mail carried (lbs.)	3,726,600	2,200,000



If Canadian Pacific Air Lines had been granted the routes it applied for, it would have operated new lines (indicated on the map) in 10 areas, as follows:
(1) Montreal, Cornwall, Brockville, Gananoque, Kingston, Belleville, Trenton, Peterborough, Lindsay, Oshawa, Toronto.
(2) Toronto, Hamilton, St. Catharines, Niagara Falls, Fort Erie, Welland, St. Thomas, Chatham, Windsor, Sarnia, London, Woodstock, Galt, Brantford, Paris, Stratford, Waterloo, Kitchener, Guelph.
(3) Montreal, Ottawa, Rouyn, Noranda.
(4) Toronto, Sudbury, North Bay, Haileybury, Kirkland Lake, Timmins, Poquois Junction, Rouyn, Noranda.
(5) Sydney, New Glasgow, Truro, Halifax, Kentville, Yarmouth, Saint John, Fredericton, Edmunston, Mont Joli, Rimouski.
(6) Halifax, Saint John.
(7) Sioux Lookout, Fort William, Port Arthur.
(8) Winnipeg, The Pas.
(9) North Battleford, Vermilion, Edmonton.
(10) Port Alice, Prince Rupert.

Canadian Railways to Spend Postwar Millions

Replacement and Expansion Outlays to be Big Employment Factor

From Our Own Correspondent

MONTREAL. — Expenditures by the big Canadian transportation systems after the war on replacements and for rehabilitation of equipment and other facilities are expected to run into hundreds of millions of dollars, and thus promise to be one of the most important factors in providing employment.

During the past five years, the Canadian railroads have been working all out in the war effort, carrying a volume of traffic never before known in this country. This tremendous job, which has strained facilities to the utmost and resulted in heavy wear-and-tear on existing equipment, has been done with very little help in the way of new surplus, for replacements, to say nothing of added equipment.

To indicate the tremendous strain on facilities to meet the transportation needs of this war, it might be noted that the Canadian National Railways alone, during each of the last two years, has handled more freight than handled on all Canadian rail lines in the peak year of the last war. Much the same can be said of the Canadian Pacific Railway.

Traffic Needs Heavy

Various factors have contributed to this heavy demand on railroad facilities. There has been need for fast movement of raw materials to factories to make possible the enormous industrial production required for the present machine war. In addition, there has been needed more intensive training for military forces, and the railroads have had to transport men to training camps all over the country. And then it has been necessary to get completed war materials to seaboard points.

The railroads are reluctant to commit themselves to estimates of probable rehabilitation expenditures, because many uncertain factors enter in. Actual essential needs, for instance, are difficult to forecast, without knowing probable level of industrial and business activity after the war—and this depends to a considerable extent on probable foreign trade for this country, which in turn is linked to possible postwar trade and exchange regulations.

Government Outlays Sought

Another unknown factor is the extent to which the Government may see fit to back the railroads in strengthening of railroad facilities after the war. If the railroads can count only on what they can afford, or deem sound, to invest from their own cash resources in postwar capital outlays, such expenditures are bound to be more restricted than if expenditures on rehabilitation of transport facilities are made part of national reconstruction, and for development of postwar employment, and thus are contributed to in part from public funds.

Both the big transportation systems have drawn up elaborate programs for postwar rehabilitation, with this aspect in mind. That is, certain works have been set down as urgent and essential, other parts of the program are contingent on Government aid, need to aid in re-employment, etc.

In presenting the program of the Canadian National to the Dominion Government committee on reconstruction and re-establishment last year, S. W. Fairweather, vice-president in charge of research and development for the CNR, presented a program, to cost $630¼ millions, divided into four parts.

The first group of undertakings proposed was classified as jobs which would expand the company's field of operations. The second included those undertakings which would be so productive of economy as to be self-liquidating, the third group was made up of those which would be generally desirable, but marginal in character, while the fourth group would be those having desirable features but not productive of economy sufficient to pay interest on capital invested.

Mr. Fairweather submitted that the railroads could be expected to pay full cost of the work only of those undertakings in group two. For instance, he said, expansion of pioneering railways generally result in losses to a railway, though the country as a whole may benefit substantially, while the third and fourth groups he listed might have elements which would be advantageous to the country at large, such as, for instance, elimination of grade crossings, but would add little to the railway's net earning capacity.

Much Equipment Needed

The group of undertakings which, it was submitted, the Canadian National should undertake to pay for entirely from its own resources would require outlays of nearly $208 millions.

High in the list of capital outlays which the railroads plan to undertake, from their own resources, right after the war are expenditures for steel rails and structural timber, and freight car equipment and locomotives.

Expenditures for such purposes in recent years are far below what the railroads have wanted to make, to take care of replacements and facilitate traffic movement.

Up until recently, steel has been almost completely unavailable for making facilities to meet Canadian railroad needs, as war weapons and machines have had higher priority. With the tremendous increase in steel production on this continent, however, more steel is now available, and the railroads have already been permitted to spend a part of the money they would like to spend for rolling stock and urgently needed equipment.

Export Demand for Equipment

Even today, however, only part of the steel available for making railway equipment in this country is going to the benefit of the Canadian railroads. Much of the activities of plants in this country for railroad equipment is for facilities for export to Allied countries, where transport needs for military operations are urgent.

For the balance of the war, this condition is likely to continue, and after the war it is probable that much Canadian-made railway equipment will be diverted, under priority orders, to overseas points, as part of postwar rehabilitation in war-devastated Allied countries.

Revolutionary changes in railway equipment, immediately after the war, are unlikely in Canada, despite the extensive current fanciful picturing of probable railroad operations in this country right after the war ends.

Conditions Not Like U. S.

Changes in railroad facilities in the United States may be more radical, in the immediate postwar period, than in this country, those conversant with the transportation picture state.

There are a number of reasons for this. For instance, in the United States, bus and truck competition is much more severe than in Canada. Trucks and buses can operate all over the United States, the year-round, with payloads in almost any quarter where they operate. In Canada, climatic conditions have always been less favorable, and highway competition is not so serious in the winter months, except for short-haul traffic in restricted localities. On long-haul traffic, trucks can't compete because of the tremendous distances across Canada where population is sparse. In the United States, population density is scattered across the country from one ocean to the other.

In fact, the Canadian railroads, by improving pick-up-and-delivery service, were steadily reducing the seriousness of highway competition when the war started.

Airplane Threat Limited

Airway competition is not expected to be very serious for Canadian railroads after the war. Certain plush passenger traffic may go to the airplanes, but it is in freight that Canadian roads have depended for main revenue production, and in this field the airplane cannot compete favorably, except for certain package and light freight business.

Thus, while the United States railroads, to meet highway traffic competition, are likely to resort to spectacular and costly ventures, after the war, the Canadian railroads, while faced with a much similar problem, are not so desperate in fighting competitive forms of transport.

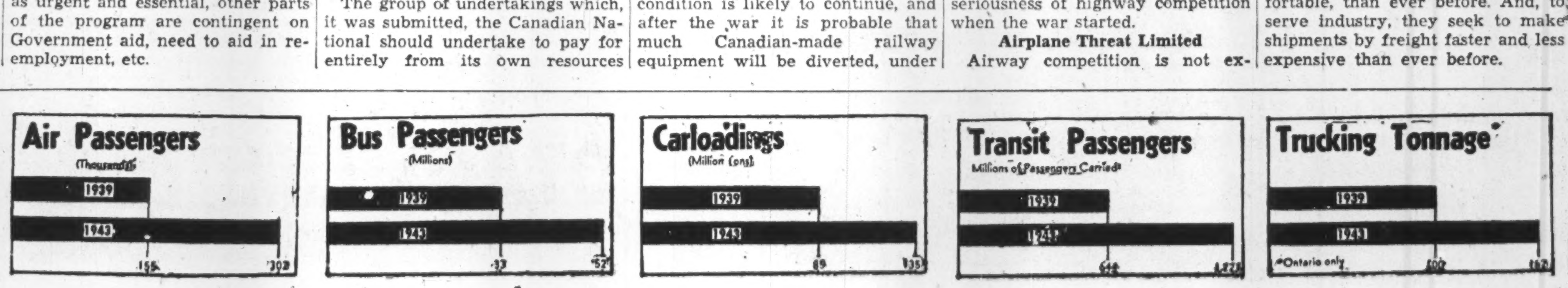
Another factor that will influence the railroads toward a cautious policy in the matter of new experiments in the transport field is the fact that climatic conditions provide engineering problems not met with in the United States.

Inevitably, however, changes in railroad equipment are coming, and coming fairly fast. The big aim after the war will be lower weight and lower cost.

The high production, and lower price, of certain metals such as aluminum, will make possible lighter weight cars, and greater conveniences and comforts for Canadian railway passengers.

The planning of the railroads is to make railway travel for passengers less expensive, and more comfortable, than ever before. And, to serve industry, they seek to make shipments by freight faster and less expensive than ever before.

WARTIME RECORD OF CANADA'S TRANSPORT



Motor Coach Fills War Role

Does Big Job for War Industry, Armed Services

Wherever modern highways exist today the motor coach has established reliable transportation facilities. It has rendered a service to farmer and country dweller, has made accessible to the city man the vast spaces of open country, has made it possible for pupils in the country to attend higher grade schools and universities.

The motor coach industry has experienced a period of growth unsurpassed by any other enterprise and was well abreast of the times when war began.

Many problems emerged with hostilities to harass the industry. New munition plants were established, frequently far from the centres of population. They had to have workers and those workers had to be recruited from the centres of population.

The motor coach industry was called upon to provide a solution.

Help Transport Troops

Army and air force camps were established and troops had to be transported to and from these points and, as in peacetime, so in war, the motor coach industry adapted itself to furnish the need.

Loads became greater and the people riding the coaches were different. Army personnel and war workers who work long hours and have to spend a high proportion of their leisure travelling to and from work comprised the loads.

Ontario intercity motor coach operators in this respect have performed an amazing feat of modern transportation. Last year they carried almost 23 million passengers, nearly three times as many as they transported in 1940 and with only a 51% increase in equipment, this passenger figure being one million in excess of all passengers carried by the Canadian railways in 1940.

The importance of its war job in providing special services to war industries and the armed forces is seen in the fact that 2.7 millions of the 21.3 million miles covered in 1943 were devoted to these two classes of traffic. The above figure is exclusive of the large volume of traffic carried on scheduled runs to war plants and military establishments, many of these inaccessible by rail.

Carried Many More Passengers

The Dominion Motor Coach Association informs The Post that, despite gasoline and rubber rationing and government controls, the industry—only about 25 years old—during the year 1943, handled 52.6 million passengers as against 33.5 million in the average pre-war year.

Like the truck, the motor coach pays its way in the matter of use of the public highways. Over and above all taxes paid by other users of the highway, the motor coach pays a seat or road tax, which during 1943, amounted to an average of $255.10 per vehicle for a group of operators operating some 847 vehicles throughout Canada.

Moreover, officials report that total vehicle taxes — including licenses, gas, road tax—paid by the above-mentioned group, amounted to $1,311,214, or an average of $1,548.06 per vehicle.

Big Boost in Taxes

Of interest are the comparative figures indicating the increase in taxes paid per coach between 1937 and 1944. At the former date, taxes paid per coach amounted to $840.34, whereas they total $1,548.06 today. In addition a federal gas tax has been imposed, on top of the numerous provincial charges.

Moreover, demand for service increased enormously, but supply of equipment was cut off. Even normal replacements were not available and the industry had to do double duty with equipment which was steadily approaching obsolescence.

In a war of today, the mechanic is as important as the strategist. Soon the motor coach industry found itself deprived of the mechanics it had trained. Some 30% of the industry's mechanical staff were serving as volunteers in the armed forces. Other branches of the industry lost a high percentage of its personnel to the armed forces too.

Added to this problem was that of securing replacement parts. Vehicle days were lost to the industry and every device possible was resorted to to rebuild worn parts or recondition and make them serviceable, at least temporarily.

Industry Looks Ahead

The motor coach industry looks for an upsurge of commerce and industry after the war, for an increased development of improved highways, the opening up of new areas, the location of new industries and new communities.

Said one official, "The motor coach industry can provide the most sensible and economical method of serving those highways, industries and communities with the minimum of capital investment and no expenditure or pledging of credit on the part of the Canadian taxpayer."

Most novel note of postwar plans by the industry has been sounded—though faintly—by the motor coach industry, with the applications by several Canadian companies for permits to connect by regular helicopter service numerous communities in various parts of the country. Dominion Government policy, however, may preclude development of such lines.

Intercity Air Lines Inc., formed in 1943, has applied for provincial and federal government licenses to service by helicopter some 20 important municipalities in Quebec with an air mileage of 1,200 miles.

Toronto Transportation Commission and its Gray Coach Lines has likewise applied to Ottawa for "permission to use helicopters and other aircraft for an Ontario air service immediately after the war."

TTC, which has numbers of its own trained drivers serving in army and air crews, plans to absorb them into employment after the war and visualizes the helicopter as a "natural" for these men.

It has been reported that tentative plans for TTC's postwar helicopter include a machine to carry 14 passengers plus baggage, powered by twin 600 h.p. engines to propel it and a roto-stabilizer having 35-ft. blades.

B. C. Project

A youthful affiliate of Vancouver Bus Lines Ltd. is Vancouver Island Air Lines Ltd. This organization has also sought licenses from Ottawa and Washington to provide passenger and freight services by helicopter between Victoria and other Vancouver Island points as well as into other points in Canada and U. S.

Application to operate appears to be as far as the companies have been able to get.

At this point a rather unique constitutional point has arisen. Whereas the Dominion Government has indicated that it does not intend to hear air applications for local services until after the war, the provincial government of Quebec (the provinces have jurisdiction over highways and the helicopter is proposed as an air wing to the motor coach industry) has become actively interested and is having its law officers investigate the question of air jurisdiction.

In the case of Intercity Air Lines, for instance, the company is unable to act further in developing its helicopter service without Dominion Government license, and the Government declines to hear such requests until after the war.

Various interested parties have been urging that the federal authorities "should now consider the advisability of granting licenses to operate (helicopters)," this in order that organization and operating program may be prepared to satisfy public demand after the cessation of hostilities.

It is said that the helicopter type of aircraft will be the best suited to provide feeder lines for short haul air passenger transportation services. It is claimed it will also be the medium which will provide the desired short haul connecting services between the smaller municipalities in the provinces and the larger centres from which main line services will be operated.

400,000 Drawings Used In C.P.R. War Work

From Our Own Correspondent

MONTREAL.—The monthly war production parade which reached as high as 140 guns, 78 tanks and six main marine engines and condensers at Canadian Pacific Railway Co. shops here and in Calgary, quite naturally has stolen the spotlight in any recital of the company's achievement but now an equally dramatic story is told in a report by H. B. Bowen, chief of motive power and rolling stock, of the planning which makes all this possible.

A search of blueprint and photographic records up to the first of May this year showed the staggering total of close to two million square feet of linen and paper had been used up in making the tracings, blueprints, vandykes and photographs necessary.

Reduced to the familiar terms of a business letterhead the paper and other materials used would represent close to three and a half million such 8 x 10½ inch sheets. The cost of reproducing these drawings which are so important in reaching a high rate of production was more than $88,000 and there were close to 400,000 of them.

Multiple Copies Needed

In large contracts such as the building of over 1,400 Valentine tanks for the Russians at Angus shops, and the present contracts there for main marine engines and condensers for escort vessels and highly specialized devices for the Royal Navy, as well as in the naval ordnance being turned out at Ogden Shops, master plans have to be broken down. They have to be available in many departments as production proceeds at wartime's urgent pace, with manufacture of component parts proceeding separately and each fitting into a definite schedule for delivery of the finished product.

How well the distribution of plans was carried out by the Canadian Pacific munitions department is attested to by the production marks in the different contracts. Angus shops hit a high of 78 of the 18½-ton Valentine tanks a month and has turned out six of the main marine engines and condensers which weigh 89 tons with bed plates, while Ogden shops has delivered as many as 140 12-pounder guns and 79 mounts for 12-pounder guns in a month.

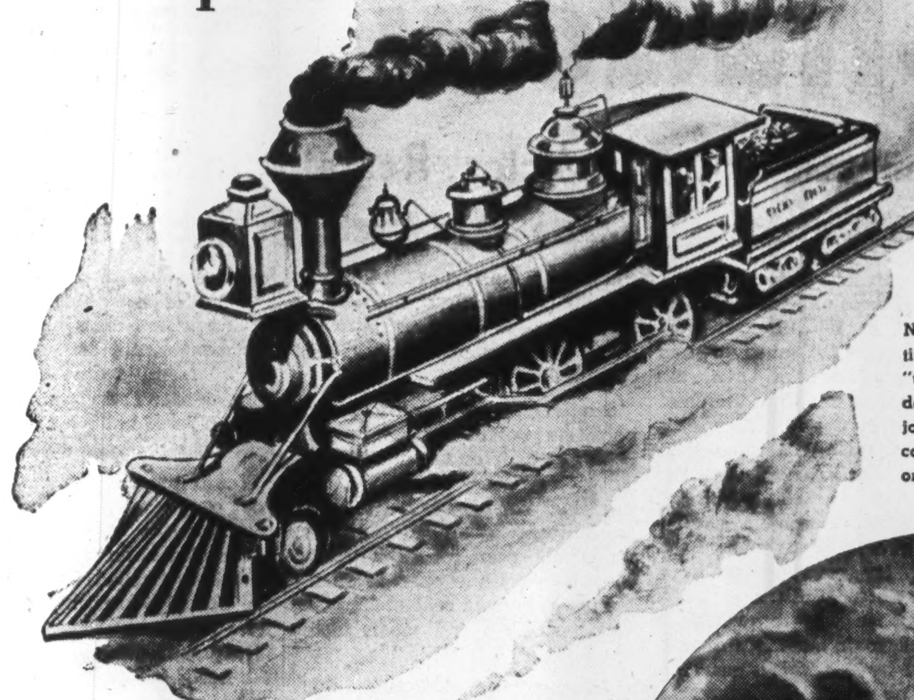
10,000 Original Tracings

Experts in charge of the preparation of the plans explain that back of all this were over 10,000 original tracings prepared on linen here

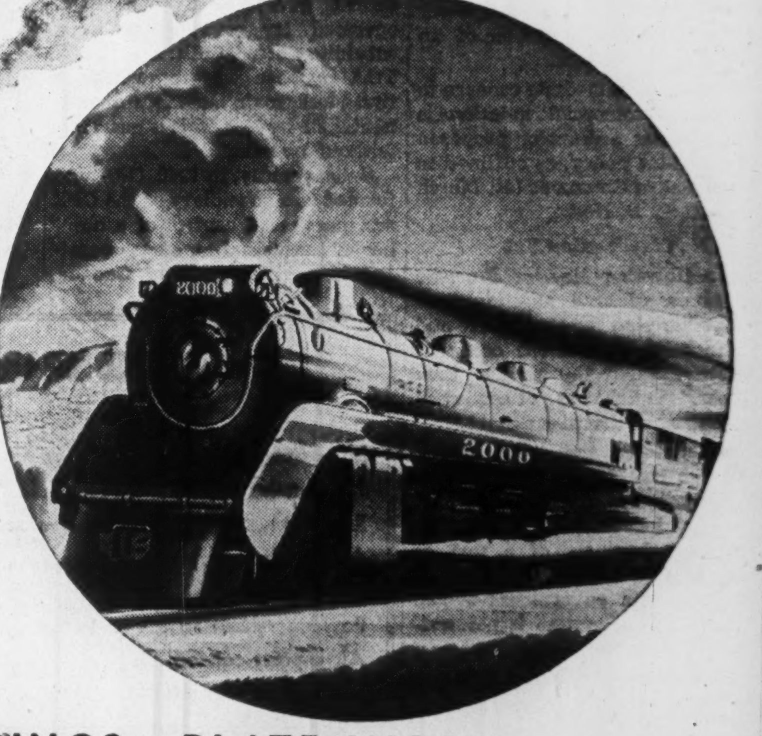
(Continued on page 19)

JUST SUPPOSE

the movement of War Supplies depended on "old-timers" like this



Nearly 100 years ago the last thing in locomotives looked like this! Time marches on. The "up-to-dates" of 100 years ago are the "out-of-dates" of today. The old puffing Billy did a fine job of work in its time, and was well fitted to cope with the traffic of those days, in peace or in war.



Today, the greatest war in history is raging. Industries all across Canada are turning out war supplies of a magnitude and tonnage never dreamed of a hundred years ago, which must be transported by rail together with millions of men, where hundreds travelled before! Giant locomotives are needed to carry this load—giants in strength, in safety and in speed.

C.L.C. Locomotives are playing an important part in keeping these vital supplies moving on schedule. C.L.C. expert technical engineering design and master craftsmanship in construction are responsible for C.L.C. equipment that stands up so splendidly under such rigorous tests.

C.L.C. also produces Mining and Metallurgical Equipment, Akins Classifiers, Selectro Vibrating Screens.

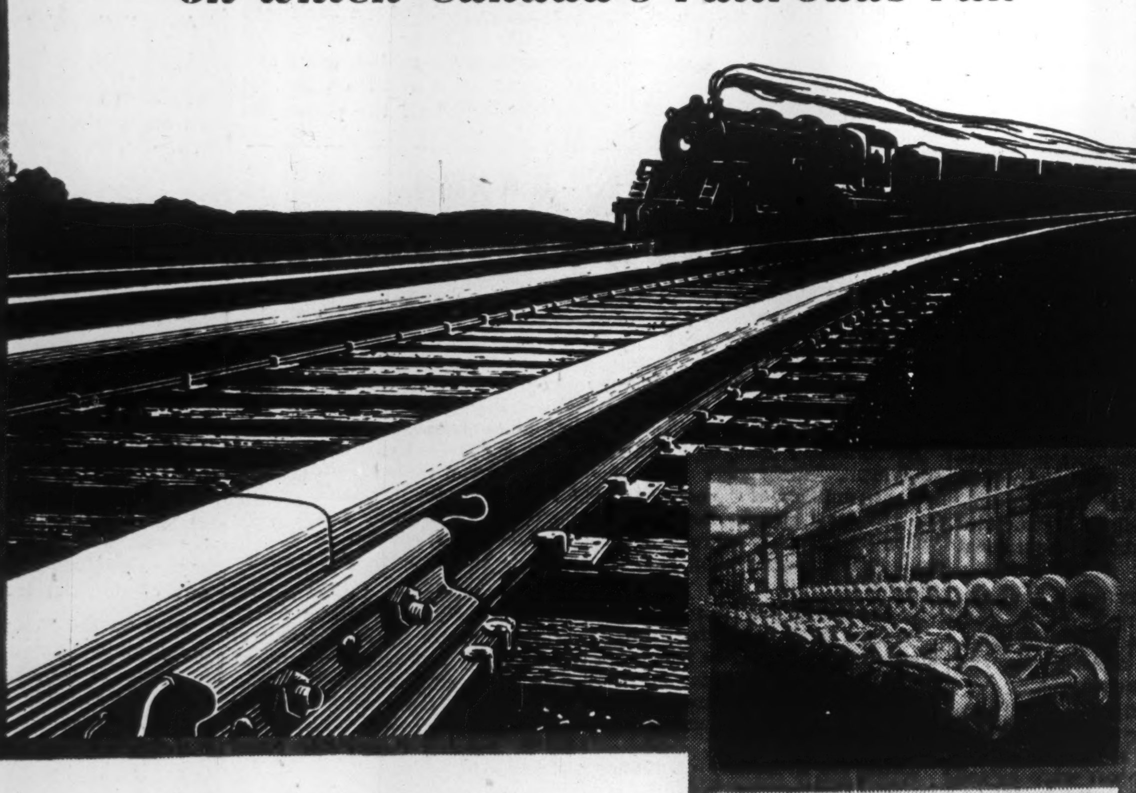
CASTINGS – FORGINGS – PLATE WORK

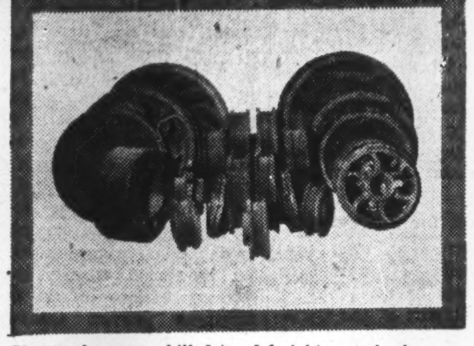
CANADIAN LOCOMOTIVE COMPANY LTD.

KINGSTON, ONTARIO — CLC — 610 FEDERAL BLDG., TORONTO

THE "WHEELS" BEHIND THE WHEELS

on which Canada's railroads run





The thousands of wheels supplied every year to Canada's railroads by Dominion Wheel & Foundries Limited are only one of the products of our specialized foundries and machine shops . . . geared for manufacturing and repairing services over a wide range of industrial equipment.

"Dominion Wheel" has long demonstrated its ability by diversified metal products such as special pipe for the municipal field, heavy equipment for the pulp and paper industry, special marine equipment and repairs, heat resisting alloy iron castings, etc., and a complete custom manufacturing service on machinery from printing presses to tire manufacturing equipment . . . from pumps to heavy drum dryers . . .

We invite enquiries from anyone interested in such equipment and services.

Shown above are chilled tread freight car wheels and wheel centres for passenger cars, ready for delivery.

Below are shown a group of wheels of various sizes for diversified industries.

DOMITE ALLOY IRONS

DOMINION WHEEL & FOUNDRIES LIMITED TORONTO

Plants: Toronto, Cobourg, St. Boniface, New Glasgow

Chilled Tread Car Wheels
Foundry and General Engineering Work
Flanged Pipe and Fittings
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In two years — from making farm implements to manufacturing complete undercarriages for the de Havilland Mosquitos.

OTACO

OTACO LIMITED • ORILLIA, ONT.

MANUFACTURERS

Millions for Postwar Highways

Wartime Backlog Means Big Construction Program

With one sweep the war wiped from Canadian highways the Dominion's $150 million tourist industry.

The same highways, however, were soon bearing another kind of traffic—a perpetual stream of truck and bus transport, loaded with munitions of war, food, army personnel, the boys of all ranks, moving speedily and efficiently toward their various destinations but within carefully restricted limits as to distance.

Big Maintenance Backlog

With one kind of traffic eliminated, another had taken its place. And the highways had to stand up to the test with a minimum of maintenance. In fact, a vast backlog in deferred maintenance on highways alone awaits the postwar period. But after the war when the truck and motor coach industries anticipate an upsurge of business, and tourists begin to seek out the Muskoka wilds, the charm of Ancient Quebec, the virgin spaces of the Alaska Highway and the rugged beauties of the Rocky Mountains, much will be expected of these same war-worn highways—and the new ones projected.

Future Highway Program

Much talk is being directed presently by road men of the provinces and municipalities of Canada towards "the highway of the future."

General trend of thinking is toward:

Dependable all-weather roads to meet commercial needs.

Paved, or at least dustless, surfaced roads to attract tourists.

Higher standard grading for secondary highways and township roads.

Rather widespread alterations may be expected in the present system of highways, it has been officially stated.

Main roads may skirt centres of population, allowing for high speed traffic to by-pass them.

Some system may be sought to avoid possibility of unprecedented traffic jams when passenger cars again take to the open highway.

Cities' Capacity Overtaxed

It has been generally admitted that volume of intercity traffic, added to city and suburban movement, has hitherto been far beyond the actual capacity of the average city layout, with parking difficult, if not next to impossible.

It is believed, therefore, that cities will need radial expressways into and through the heart of each metropolis, and an encircling belt of expressways spaced at appropriate distances, enabling drivers to move rapidly until reaching the point to turn off to their destinations.

Access to these expressways, it is said, should be limited.

Local streets intersecting expressways should be dead-ended.

Design for Safety

To cut down the appalling traffic toll characteristic of pre-war times, it may be expected that there will be more highways in which opposing streams of traffic will be separated—as has been done with Ontario's Queen Elizabeth Highway, for instance.

Prospect of heavier industrial traffic on the highways of the future has raised the question of necessity of special highways for trucks only. But according to certain automotive engineers such progress has been made in scientifically apportioning the weight of the truck across the axles, by means of modern springs and dual balloon tires, that this danger has really been beaten.

It is argued too by engineering authorities—although there is some conflict of opinion on the point—that a highway built to specifications for ordinary passenger car traffic would accommodate trucks and buses equally well and without danger to the road structure. It is claimed that in Canada particularly, climatic conditions have much to do with highway specifications, that depth and thickness are governed directly by needs arising from climatic conditions.

A lead is expected to be given in regard to postwar highway plans and to plans generally of the motor transport and coach industry at the annual meeting of the Canadian Transit Association in Quebec City on June 26, 27, 28.

But what specifically is Canada planning in the way of future highways?

Canada's Plan

The estimated $1.5 billions tentative postwar construction job, of which some $823 millions have been to date allocated by ythe provinces, is typical of the changing tempo in spending for roadwork.

Ontario, for instance, has reported recently that its government is initiating a 4-year postwar road building and repair plan to cost about $191 millions. Yet the province since 1914 invested, through direct expenditure and municipal road subsidies, approximately $500 millions, which produced about $35 millions annually in gasoline and motor license taxes.

To date the provinces have indicated the following amounts for postwar highway work:

Postwar Highway Work
(Millions of Dollars)

Ontario	191
Quebec	286
Maritimes	99
British Columbia	210
Alberta	6
Saskatchewan	2.5
Manitoba	28.5
	823

Groundwork Laid

Although the actual details of the 4-year plan of the Ontario government's $191 million highway program are not yet available, land surveys are being made and working plans for a number of projects being drawn up, notably the stretches of dual highway between Hamilton and London and on the Brown's Line road to Muskoka.

Major portion of Alberta's six millions will be devoted to improving the main and secondary highways and grading or grade reconditioning other lesser roads.

Main and secondary highways are to be lengthened, it is reported, from 3,883 miles to about 6,800 miles. They are:

(1) Highway No. 1: Trans-Canada from Saskatchewan boundary to Banff National Park via Medicine Hat and Calgary: 303 miles.

(2) Highway No. 2: From Immigrant Gap to Macleod, Calgary and Edmonton: 888 miles.

British Columbia's $210.3 million program breaks down into nine major projects:

Highways:	Cost ($ millions)
Trans-Canada	44.2
Southern transprovincial	53.5
Island	18.6
Northern transprovincial	24.7
B. C.-Peace River (connecting Yukon-Alaska)	23.7
Cariboo	15.5
N. Thompson River	7.0
Vancouver-New Westminster Express	11.2
Parks	11.9
	210.3

At the moment B. C. provincial government is proceeding with the survey of a highway from Prince George to Dawson Creek on the Alaska Highway, construction of which will probably begin before the end of 1944. About $6 millions have been appropriated for this work.

Plans are being discussed for a road farther west, possibly connecting Hazelton with the Alaska highway at a point farther north than Dawson Creek. This would meet with the wishes of the Pacific Northwest Trade Association, which has been urging a westerly connection with Alaska.

B. C.'s whole program of road building and repair is estimated to total 6,000 miles.

Quebec's Plans

Quebec is leading all the provinces in scope of postwar plans formulated by its Council for Economic Orientation but the plans still require study by government officials.

To cost $286 millions, its postwar objective is to raise its 4,200 miles of gravelled road up to 10,000.

Special attention will be devoted by Quebec, officials say, to widening the right-of-way of main trunk highways to at least 66 ft., rendering the roads all-weather, extending the highways on the north shore of the St. Lawrence to the Quebec-Labrador border, and eliminating as many as possible of the province's 2,000 railway grade crossings.

The prairie provinces are equally alive to the importance of postwar highways and are drafting extensive projects along these lines.

In the matter of civic scenic highways, Halifax and Calgary have signified their intention of building such projects.

Halifax, for instance, assuming some assistance is available from the federal treasury, would improve arteries from the main highways to the centre of the city and develop the city within a 25-mile radius as well as creating scenic highways.

Calgary, on the other hand, envisions extending the scenic river drives along the Bow and Elbow Rivers, will hard surface certain arterial highways and approaches to the city, widen numerous stretches of the city.

Toronto Plans Subways

Toronto Transportation Commission's project—a rapid transit system to include a north and south subway on Yonge Street and an east and west subway on Queen Street—is in process of active study, The Post is told. A large staff of consulting engineers has been retained and a staff of engineers and draftsmen is laying out and designing the whole scheme, which is tentatively estimated to cost some $50 millions, including stations, equipment and rolling stock.

According to officials, normal extensions to the TTC system and the yearly reconstruction program have both been seriously affected by the war, especially in the matter of lack of men and materials. When these are more available, it is anticipated there will be track extensions and renewals involving approximately $1.5 millions, of which 55% will be expended on labor.

For special track renewals it is estimated approximately $1.2 millions will be called for, of which $400,000 will go to labor.

Canadian materials are to be used as far as possible to benefit Canadian industries.

Additional garage and other buildings will also be required, these to cost some $500 millions.

About $8 millions for street cars and buses and trolley buses will have to be expended in the immediate postwar period, it is said, in order to provide modern, convenient and attractive services for the public.

Montreal, likewise, is reviving study of its subway project first brought forth by the Montreal Tramways Co. in 1929. As estimated then, it would cost $65 millions.

Marshals Cool To "Fire Tax"

From Our Own Correspondent

WINNIPEG.—Suggestion that a "fire tax" be imposed in metropolitan areas to provide fire-fighting protection for outside municipalities was made at the recent conference of the Association of Canadian Fire Marshals here by Chief D. A. Boulden of Winnipeg.

The suggestion, which was not acted upon by resolution, stipulated that any "fire tax" should be imposed equally on Dominion and provincial government buildings and railway properties.

His proposal was prompted by the fact that many suburban areas have either small fire-fighting forces or none at all. At present buildings in such areas occasionally burn unchecked and the urban fire departments, lacking authority to go outside their own areas, are unable to help.

Federation One Way

"I believe the solution to this problem would be to include the municipalities with the cities in a metropolitan area, provided every property paid a fire tax based on assessment value," said Chief Boulden.

Fire Chief G. Burnett of Ottawa said the situation where unprotected suburbs looked upon the city as a "poor neighbor" because it wouldn't help out in emergencies, was general.

Lt.-Col. J. A. Cooper of Toronto, president of the Dominion Fire Prevention Association, told the conference that education in fire prevention had had good results. Fire loss last year was $20,000,000 less than it was in 1922, he said. He attributed this reduction—with a consequent reduction in fire insurance rates—to educational work.

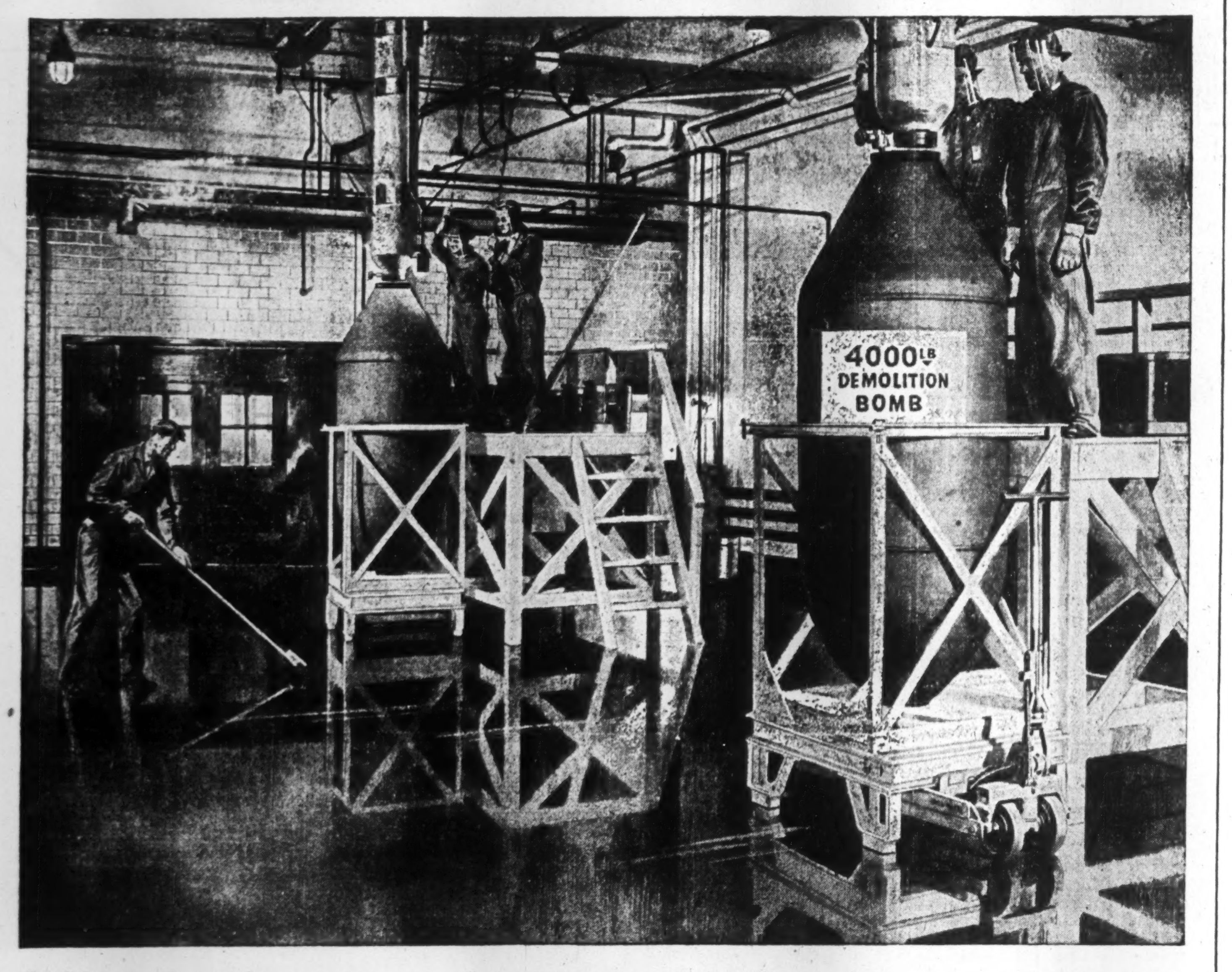
O C&A
FOR CAPITAL WORKMANSHIP

SERVING TRANSPORTATION
for more than fifty years

During the past half century Ottawa Car and Aircraft has had a close association with the transportation industry, making a wide range of equipment such as Electric Railway Cars, Gasoline or Diesel Rail Cars, Bus Bodies, Gear Drive Sweepers, Street Cars, Busses, Trolley Wheels and similar rolling stock requirements.

This background of experience has served the Company well in enabling it to meet the rigorous demands of production for war . . . production which is moving forward in steady volume. We look forward to the day, however, when we shall be able once more to devote our modern plant facilities to serving the needs of transportation in a world at peace.

OTTAWA CAR AND AIRCRAFT LIMITED



Why do they wax the floors in an ordnance plant?

THESE men are filling a 4000-lb. "block buster" with high explosive in the (censored) ordnance plant.

The floors of this plant are of waxed concrete and are polished every night. The walls of tile and high-gloss paint are kept shining clean. These precautions help prevent small particles of TNT from accumulating on the walls and floors.

As an additional safeguard against explosions, Dust-Stop Air Filters were installed in the air-conditioning system of the plant. These Filters further reduce the hazard of explosive dusts by removing them from the air.

In scores of war plants

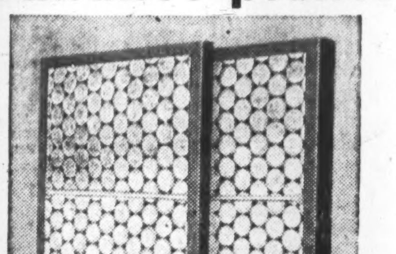
. . . Dust-Stops are today protecting workers and the products which they make. They guard delicately machined surfaces from the damage caused by grit and grime. They help assure the accuracy of bomb sights, portable radio transmitters, tank parts, and many other precision instruments and assemblies.

Low-price advantage

As original equipment for commercial and industrial installations, Dust-Stops cost only about 1¼c per CFM to install. Their replacement cost is less than 1/5 of 1c per CFM.

Dust-Stops may also be vacuum cleaned or gently rapped to remove excessive surface-dust accumulations. This process may be repeated once or twice to reduce maintenance costs still further.

Ask your regular supplier about Dust-Stops, made from materials now listed as non-critical. Or write for complete technical data to: Fiberglas Canada Limited, Oshawa, Ontario.



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TRANSPORTATION
Affects Business!

Business can help transportation by adopting

More STAGGERED HOURS

The LABOUR SHORTAGE IS CRITICAL

The outlook for Fall and Winter is not good.

POST-WAR PLANS? Yes—T.T.C. has such plans—very ambitious plans to better serve the people of Toronto and district.

But—right at the moment there are more pressing problems that affect our essential every-day service for war industries. There is a serious shortage of man-power at the present time.

In the early stages of the war, shortage of cars and buses was our main handicap. *The "staggering" of working hours by Business and Industry has helped considerably to overcome that shortage.*

Now we are faced with an additional serious problem: shortage of operators. *The necessity for continued and wider adoption of "staggered hours" to help overcome this new threat, is greater than ever.*

Will you help and thus assist your business and your employees?

The Toronto Traffic Conference, which has studied the "over-all" traffic picture, can advise you how best you can assist in relieving the transportation situation as it affects your employees.

TORONTO TRANSPORTATION COMMISSION • WA. 7611

War Burdens Transit Systems

Passenger Traffic Increase Outruns Facilities

Urban transit facilities have been faced throughout the war years with something of a "sweet and sour" situation.

Gasoline rationing and rubber tire shortage shut the garage door on many urban citizens who normally motor to their places of business and to social engagements. Result was that hundreds and thousands of people turned to the street car and bus for transportation.

Caught in this whirlpool of traffic, transit facilities were taxed to the utmost. While this unusual flow of traffic brought in large sums in revenue, there was a less pleasant side of the picture.

Parts continued to wear out and had to be replaced, great numbers of the transit companies' skilled mechanics and drivers went into the armed forces, with the result that peak loads were being carried in a limited number of vehicles manned by willing but, in many cases, inexperienced workers.

Total revenue passengers carried in Canada by the various transit companies operating street cars and buses totalled 1.2 billions in 1943, an increase of 160.5 millions over 1942 or a percentage increase of 15%. Between 1939 and 1942 the increase is 67% and between 1941 and 1942 it reached 27%. As of Oct., 1943, over-all load increase on street cars and buses was estimated at around 131% over 1938.

Street cars and city buses travelled 183.2 million miles in 1943, compared with 175.2 million miles in 1942, for an increase of 4.6%. This high figure was reached though only 1.6% more street cars were available in 1943 than in 1942.

The following table provides a summary of the over-all transit situation in Canada for the past three years:

REVENUE PASSENGERS

Year	Millions Passengers	Inc. over prev. year %	Inc. over 1939 %
1943	1,221.0	15	92
1942	1,061.0	27	67
1941	834.2	20.5	31.4
(1939=634.8)			

MILES TRAVELLED

	Millions		
1943	183.2	4.6	42
1942	175.2	13.5	45
1941	154.3	...	27.6
(1939=129)			

EQUIPMENT AVAILABLE

	Trams	Trolley buses	Motor buses
1943	3,326	41	1,775
1942	3,274	33	1,976
1941	3,184	29	1,696
1939	3,204	28	1,177

NEW EQUIPMENT PURCHASED

	Trams	Trolley buses	Motor buses
1943	9	8	75
1942	102	4	314
1941	56	0	337

No New Equipment

According to officials of the TTC—one of the largest transit organizations in the Dominion—not a single new street car or bus was obtained during 1943. The situation was only saved, officials claim, by the fact that the commission had purchased 250 modern street cars in the United States just before the war. Otherwise it is believed the system could not have met the challenge.

In this connection staggering of hours by industrial and business establishments has greatly eased what might have become traffic blockages of such volume as to interfere seriously with production.

Herewith is a three-year record of the Toronto Transportation Commission passenger carriage, mileage, equipment, payrolls, etc.:

THREE-YEAR RECORD T.T.C.

Tramways & buses:		
Revenue passengers:		
1943		278,539,341
1942		238,991,803
1941		193,608,473
Miles operated:	Car & bus	Coach
1943	35,600,000	5,561,968
1942	31,999,038	6,808,475
1941	26,731,914	5,746,815
Cars owned:		
1943		945
1942		946
1941		901
Buses and coaches owned:		
1943		359
1942		364
1941		318
Elec. Power Consumption k.w.h.:		
1943		135,248,551
1942		122,973,720
1941		103,804,846
Annual gasoline consumption: (Imperial gallons)		
1943		1,972,000
1942		1,855,000
1941		1,515,000
Employees		
1943		4,187
1942		3,698
1941		3,293
Payroll		
1943		$8,553,252
1942		6,926,960
1941		5,447,000

Montreal Tramways Co. was the centre of a jurisdictional dispute between Local 790 of the American Federation of Labor and the Canadian Brotherhood of Railway Employees, with the result that tramways workers went on strike on March 29, 1944. The strike, declared to be illegal by Hon. Humphrey Mitchell, Dominion Minister of Labor, was settled with the men returning to work on March 31, 1944.

During these two days the importance of urban transit was clearly highlighted. In the words of R. N. Watt, President, Montreal Tramways Co.:

"In most cases, when a strike occurs, the immediate effects are felt only by the employer and the employees, but it must be remembered that in a tramway strike . . . practically everyone in this community of over a million people suffer as a direct consequence, and the effect on war industries alone was necessarily calamitous to the extent, I am informed, that some of such war industries found it necessary to close down or curtail their operations on the following morning."

Despite such interruption of service, manpower and equipment shortage, the following table will show the excellent record of passenger and mileage figures for the Montreal Tramways Co. for 1943, 1942 and 1941:

MONTREAL TRAMWAYS
Passenger-Mileage Record

	Tramways	Autobus	Trolley bus	Total
Revenue passengers, 1943	288,327,630	63,021,553	3,010,372	354,359,555
Revenue passengers, 1942	260,218,074	55,898,490	3,281,760	319,398,324
Increase	28,109,556	7,123,063	*271,388	34,961,231
%	10.80%	12.74%	*8.27%	10.95%
*Decrease.				
Miles operated:				
1943	34,257,089	10,661,885	308,412	45,227,386
1942	32,277,347	10,205,240	358,871	42,841,458
Increase	1,979,742	456,645	*50,459	2,385,928
%	6.13%	4.47%	*14.06%	5.57%

*Decrease.

	Tramways	Autobus	Trolley bus	Total
Revenue passengers, 1942	260,218,074	55,898,490	3,281,760	319,398,324
Revenue passengers, 1941	214,909,555	45,649,178	3,013,055	263,571,788
Increase	45,308,519	10,249,312	268,705	55,826,536
%	21.08%	22.45%	8.92%	21.18%
Miles operated:				
1942	32,277,347	10,205,240	358,871	42,841,458
1941	27,934,925	9,515,859	361,707	37,812,491
Increase	4,342,422	689,381	*2,836	5,028,967
%	15.54%	7.24%	*.78%	13.30%

*Decrease.

Won't Last

The transit companies are awake to the fact that the present peak employment in the major populated areas, especially on account of war industries attracting numbers of people to these places, will not last.

When this traffic begins to ebb, and gasoline and tire restrictions are lifted, with the result that people take to their motor cars again, the unusually high passenger and mileage figures will be greatly reduced, they expect.

Moreover, because all equipment available is being so intensively used that it will require extensive replacement as soon as possible, the companies warn that with the coming of peace their industry may see reduction in revenues, while competition from other and improved forms of transportation will have a detrimental effect too.

Much Must be Spent

Large sums, it is officially reported, for both capital and maintenance, will have to be spent immediately to bring the system up to the standards which the public demand.

In regard to the Toronto transit system, in addition to carrying peak loads with insufficient "tools," two concessions have been granted the public: free transportation on Sundays to uniformed men and women in the services, and free transportation on Sundays to each child accompanied by an adult. Estimated cost annually of these privileges is $250,000.

Furthermore a $750,000 traffic improvement program was undertaken in 1943, in an effort to reduce the city accident record.

This involved a street extension, some five important pavement widenings, ten throat widenings at street intersections, and the construction of some 70 safety zones.

As mentioned elsewhere in this issue both Montreal and Toronto have extensive—and now concrete—plans for postwar transit improvements, notably subways and surface lines.

THE ROBERT MITCHELL COMPANY LIMITED
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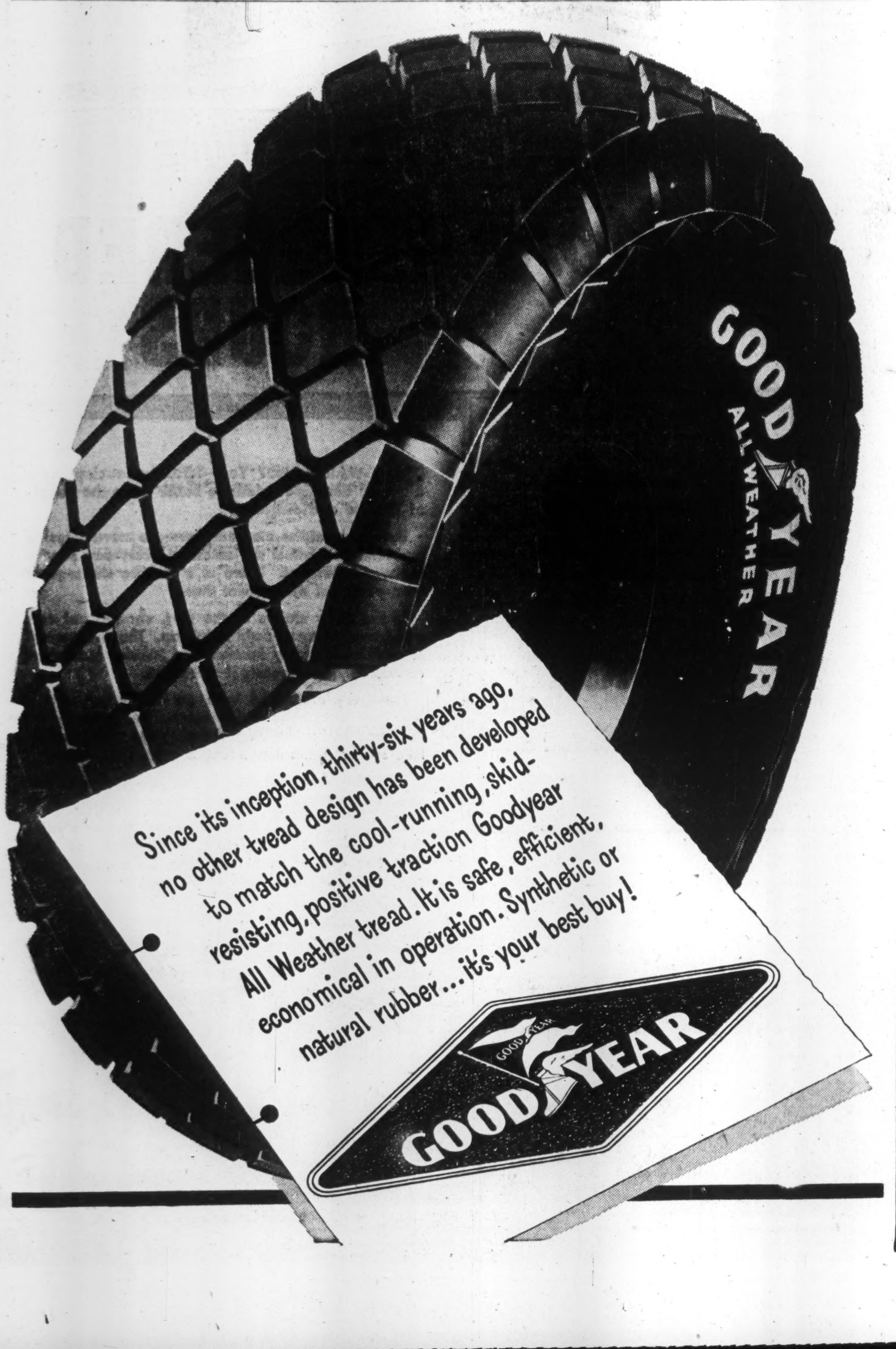


A LITTLE ONE MAKES GOOD IN THE BIG POND!

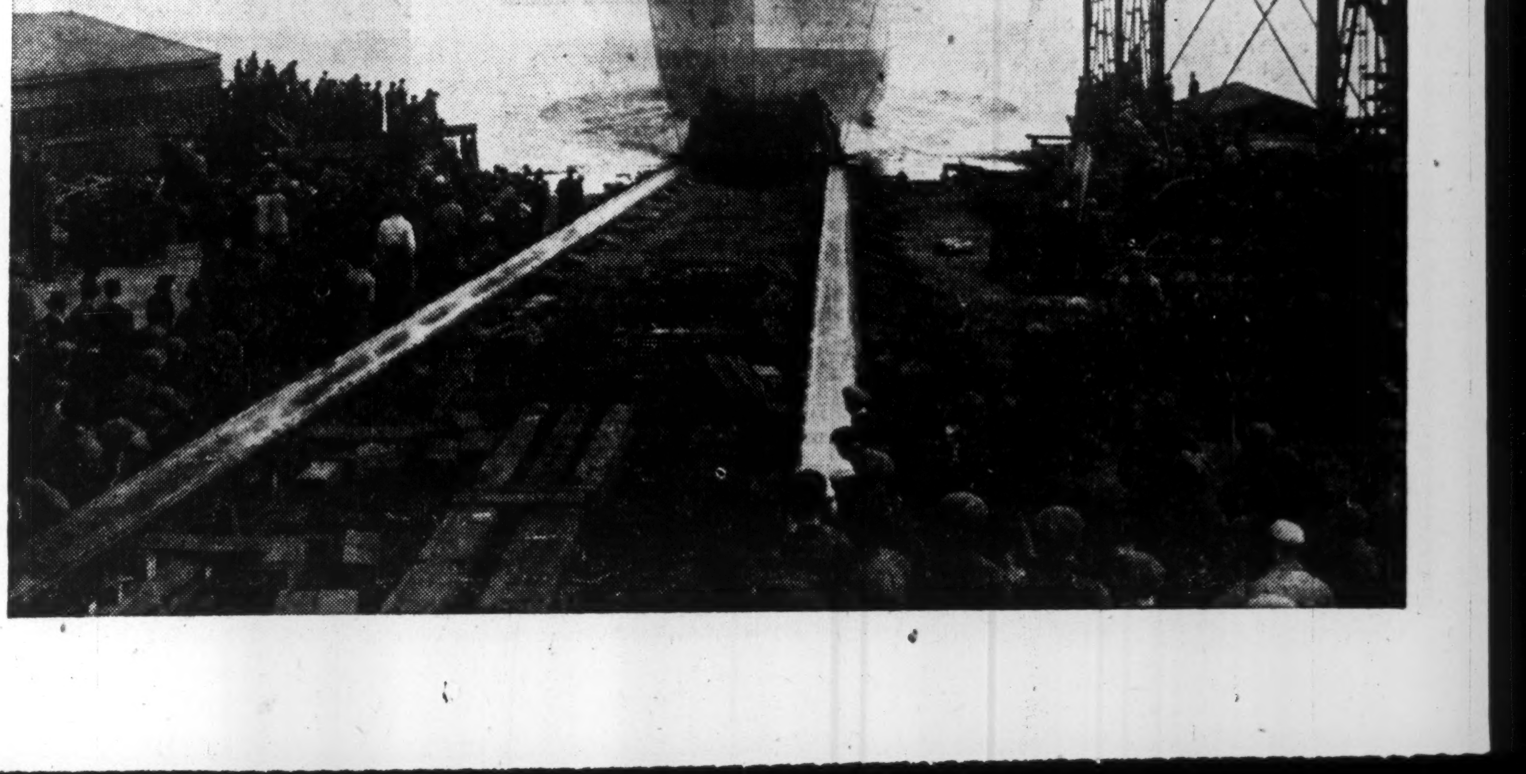
There it goes, ready to join other Davie-built corvettes now in action on the Atlantic. The success of the battle against the U-Boats is due in no small part to these trim Canadian fighting ships that protect the convoys carrying supplies to the United Nations.

These ships, and big cargo vessels, too, are making a name for Canadian ship-builders. Their crews are loud in praise of the way they are built and the way they handle.

When the war is over and ships are needed for the traffic of peace, sea-faring men will continue to want Canadian ships — ships built by the same skilled workmen who today are all-out for Victory.

DAVIE SHIPBUILDING and REPAIRING COMPANY LIMITED

715 Victoria Square Montreal — Shipyards at Lauzon, P.Q.



Motor Transport Vital War Cog

Overcomes Handicaps to Boost Freight Carried

Whether he's loading milk cans at farmyards or speeding construction equipment and ammunition along the Alaska Highway, the Canadian trucker is a vital cog in the wartime production line.

He makes up part of the army of 450,000 persons employed in the motor transport industry, an industry which throughout the war years has been ground between the upper and nether millstones of rising costs and falling revenues.

These falling revenues in turn are the result of a still current wartime difficulty: the great extent to which irreplaceable equipment is tied up for ever-increasing repairs, impeded still further by personnel continuously in short supply.

30% Personnel Remains

By the latter part of 1943 the industry had lost 45% of its peacetime personnel to the armed services, 25% to other industries, leaving only 30% to keep the wheels of motor transportation running. At the same time much greater loads were carried—and with insufficient machines to do the job.

To meet the acute shortage of help the industry sought to protect itself by training wartime recruits to the trucking business. Pilot courses were initiated at Toronto Technical School, where new men are taught driver mechanics and safety wrinkles.

Women were tried out both in the truck and motor coach industries. In the former the heavy work proved beyond their strength, but in the latter, officials say, 52 of the 65 trained by the Toronto Transportation Commission have passed their tests with flying colors and are now efficient motormen and conductors on various Toronto lines.

Need More Vehicles

In the matter of vehicle shortage appeals have been made for the release or manufacture of a greater number. In 1943, some 3,600 trucks were made available to all branches of the trucking business. This is said to be far from adequate to replace the 300,000 trucks registered in Canada in 1940.

Following is a record of permits issued for the periods Jan. 1, 1943 to Dec. 31, 1943, and from Jan. 1, 1944 to March 31, 1944, to the various service categories, as reported recently by Hansard:

Trucks Released by Motor Vehicle Control
(Department Munitions & Supply)
(Exclusive of Trucks for War Work)

For Essential Services:	Jan. 1 to Dec. 31/43	Jan. 1 to Mar. 31/44
Medical services (A.R.P., Red Cross, public health)	72	30
Police	17	4
Postal	54	22
Public utilities	237	52
Communications	5	10
Freight transportation	858	110
Bus operators	1	...
Mining, lumbering, oil	1,507	520
Gov't depts., (o. t. nat. def.)	121	41
Other essential civ. services	1,280	1,155
Newfoundland Gov't.	12	...
Air transportation	10	25
	3,674	1,969

Big Job By Truckers

Despite such hardships the highway trucking industry in particular has done an outstanding piece of war work. In 1943 it is reported to have carried double the less-than-carload freight moved by the railways throughout Canada, and with less than one third more equipment Ontario intercity motor transport moved 62% more freight than in 1940.

According to J. O. Goodman, general manager of the Automotive Transport Association of Ontario, three quarters of all freight moved over the highway in 1943 involved war material destined for war plants, military depots and airports.

The trucking industry, which employs 150,000 persons directly, while the Ontario division gives employment to just about as many as there are on the entire payroll of all the railways in Canada, estimates its original investment in buses, trucks and trailers operating over Ontario highways alone at $165 millions. This is exclusive of real estate holdings or equipment other than the vehicles proper.

(In utilizing Ontario figures rather extensively for this article, it may be explained that Ontario, with one third the registration of trucks in the Dominion as a whole, is regarded as fairly typical of the industry in general. While there has been a vast expansion of trucking in Alberta (Alaska Highway, etc.), this is not a typical condition. Despite war conditions, developments in the Ontario branch are regarded as more normal and hence give a fair picture of Canada as a whole.)

Rely On Highways

Its essentiality, not only to the war effort but to the community as a whole, is indicated by the fact that 67% of Ontario communities count upon highway transportation to fill the gap in rail services and enable them to carry on their businesses and enjoy wider social contacts. For 57% of Ontario's 4,750 communities are from half a mile to 50 miles from the nearest railroad station.

Moreover, according to Mr. Goodman, 65% of Ontario's 192,000 occupied farms are more than five miles from the nearest market.

Yet the motor transport industry has had to battle serious anti-highway interests which seek to reduce range of operation by prohibitive taxation and restrictive legislation.

As a Revenue Producer

Just as a producer of provincial revenue alone, here is part of its record:

Commercial vehicles in Ontario represented 13.5% of the 707,733 motor vehicle licenses in 1943, paying 52.7% of the $6,246,002 collected in license fees. They are reported to have paid $8.4 millions in gasoline tax, or 40% of the Ontario gasoline revenue in 1943. In other words, commercial vehicles represented 13.5% of all registrations, contributed 42.9% of the license and gasoline tax revenue.

Car And Truck Figures

Following is a comparative table showing passenger car and motor truck registrations by provinces in 1942, indicative of the scope of the commercial vehicle:

	Autos Passenger Total	Trucks Motor Total
Prince Edward Island	6,268	1,195
Nova Scotia	42,844	13,609
New Brunswick	27,623	8,362
Quebec	173,036	45,609
Ontario	611,897	95,861
Manitoba	71,673	20,570
Saskatchewan	89,742	39,284
Alberta	93,103	31,297
British Columbia	100,582	27,303
Yukon	182	187
Canada	1,216,950	283,777

Double Railway Total

From 1918 to 1943 Ontario commercial registrations are reported to have grown from 7,529 to 95,836.

"For-hire" intercity vehicles represent close to 10% of the 1943 total.

Last year intercity motor transports hauled 6.5 million tons of freight or double the merchandise (LCL) freight carried by the railroads throughout all Canada.

Despite its record, the industry has faced a growing campaign aimed at limiting its growth.

Wages Up 36.25%

Allegations that the trucking industry pays low wages have been met by findings of a survey carried out from August, 1939, up to the present time, which shows a wage increase in the industry of 36.25%.

But highlight of the past 12 months in this transport battle for survival has been the appeal of the Automotive Transit Association of Ontario to the WPTB for an increase in rates and for restoration of trade discounts on tires, gasoline, etc. on the ground that cost increases were out of all proportion to the revenue gain reported over a given period.

The disproportion is presented in the following table:

	Jan.-Apr. 1943 % increase over 1940*	12 Mos. 1942 % increase over 1940†
Tires, tire repairs	340.00	79.93
Hired trucks	222.22	88.50
Truck repairs	154.81	68.54
Cargo claims (uninsurable)	141.50	103.89
Wages	102.01	49.83
Gas, oil, grease	96.95	48.34
Insurance	88.64	68.68
Office admin., salaries	67.44	29.59
License, bridge tolls	52.08	24.41
Depreciation (vehicles)	47.84	25.15
Other expenses	43.55	35.48
(Revenue)	66.84	40.85

*16 firms. †23 firms.

Furthermore, 16 firms reported on their own business position for the first four months, 1940 to 1943, showed a consistent decrease in profit from 1941, with a very considerable loss in the 1943 period. This survey established profit (before income tax) at 10.47% of revenue in 1940, at 11.17% in 1941, and at 5.17% in 1942 while, for 1943, loss is shown at 5.12%.

To offset this 5.12% loss claimed by the industry, the Automotive Transport Association submitted plans to improve the industry's earnings by 6% through WPTB authorization of rate adjustments and discount restorations.

The Government, however, to date has not taken any action.

Optimistic About Future

While little concrete information is available regarding future plans of trucking, men in the industry, it may be said, believe that the star of the truck-trailer is in the ascendant, that this form of transport is marked to dominate postwar highway transportation.

The trailer idea is attributed by the Fruehauf Trailer Co. to Harvey Fruehauf, who was working in his father's wagon factory in 1914 and experimented by hitching a wagon behind a truck. Thus was the trailer industry born.

It was soon realized that by hitching trailers behind power units carrying capacity jumped away up, while costs increased very little.

Trailer men illustrate the point by instancing a straight truck designed to carry 11,405 pounds of cargo. By removing its cargo-carrying part, shortening the truck's wheel base and coupling a truck trailer to it, they say the new combination can transport 22,303 pounds of cargo, nearly twice the original load. They point out further that the truck-trailer combination, while it gives twice the payload (and sometimes more), causes an increase in gasoline and oil costs of only 30%.

Many Wartime Uses

The truck-trailers have been adapted to a thousand and one uses during the war.

When Kaiser engineers first developed their technique of assembling sectionalized ships, they came up against the job of transporting these huge sections from their final assembly to the ship's ways, there to be lifted by giant cranes into proper position.

Today the production of Liberty ships is breaking all records because a trailer manufacturer provided Henry Kaiser with a 150-ton giant trailer designed specifically for the stupendous task of transporting ship sections from building site to shipyard assembly point.

400,000 Drawings

(Continued from page 16)

and in Calgary. From these more than 350,000 blueprints have been made and 22,000 vandykes issued, from which prints can be produced with blue lines on a white background to speed up the distribution.

In addition to blueprints from original tracings many have been made from forms such as requisition and data sheets, with 1,600,000 sq. ft. of paper used for this work at a cost of $71,000.

The photographic end of copying drawings — the photostating of negatives and photographs—represents 187,512 sq. ft. of paper for 9,185 items, with the cost being more than $3,600, divided between photostats, negatives, photograph prints and enlargements.

The Pen Makes The Sword

Those from the munitions department who have been responsible for getting the plans to Angus shops, where H. R. Naylor is works manager and T. F. Donald is assistant works manager (munitions), and to Ogden shops where J. Gubbins is superintendent of works and H. Stevenson is assistant superintendent, include A. E. Mimms, chief engineer, munitions; C. Hassall, assistant chief engineer; R. A. Smith, supervisor, naval engines; W. D. Dickie, supervisor of machinery, and W. Sinclair, supervisor, range finders. In charge of the drawing office at Angus shops is L. D. Gray, chief draughtsman; while at Ogden shops this work is handled by F. D. Stirling, chief draughtsman. In charge of photographic work is Armand Lafreniere, official photographer.

Back of all of them is the draughtsman of whom the New York Times has said: "The writer and journalist may well wonder, these days, how much truth there is in the old saying that the pen is mightier than the sword. The draughtsman need have no doubts upon that score. It is his pen which tells the workmen exactly how to make the sword."

Smallest Airport For New Helicopter

License No. 1 of the Michigan Board of Aeronautics is reported issued to Aeronautical Products Co., Detroit, for a 200 x 300 ft. field inside the city limits, on which the firm is test-flying its new helicopter. Many see Detroit becoming the vertical flight capital of the world, in keeping with its present automotive prominence.

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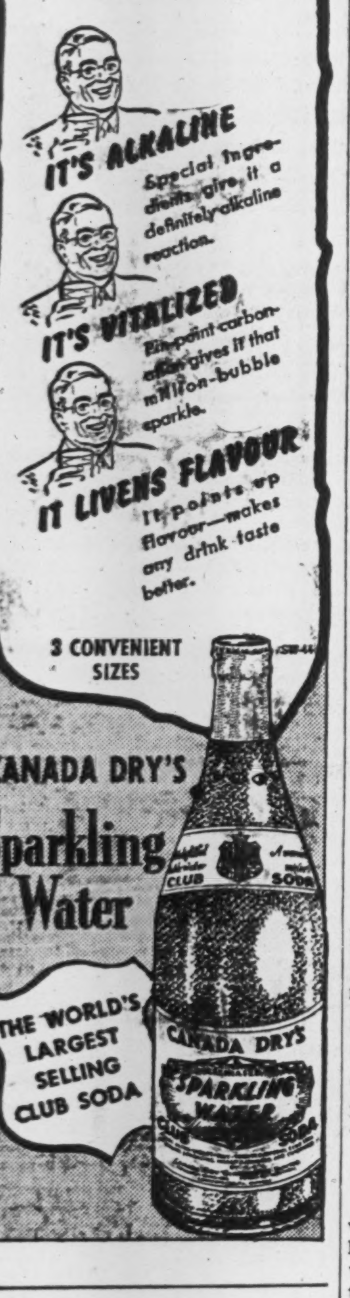

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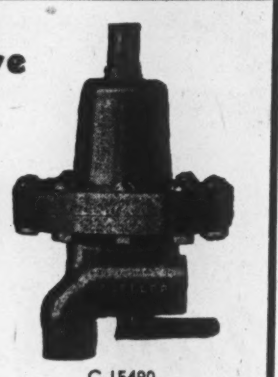

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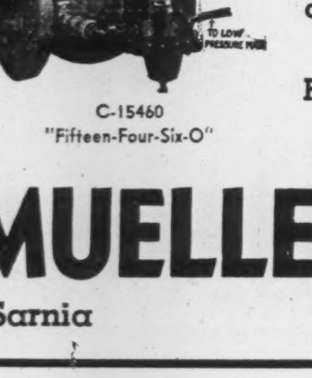

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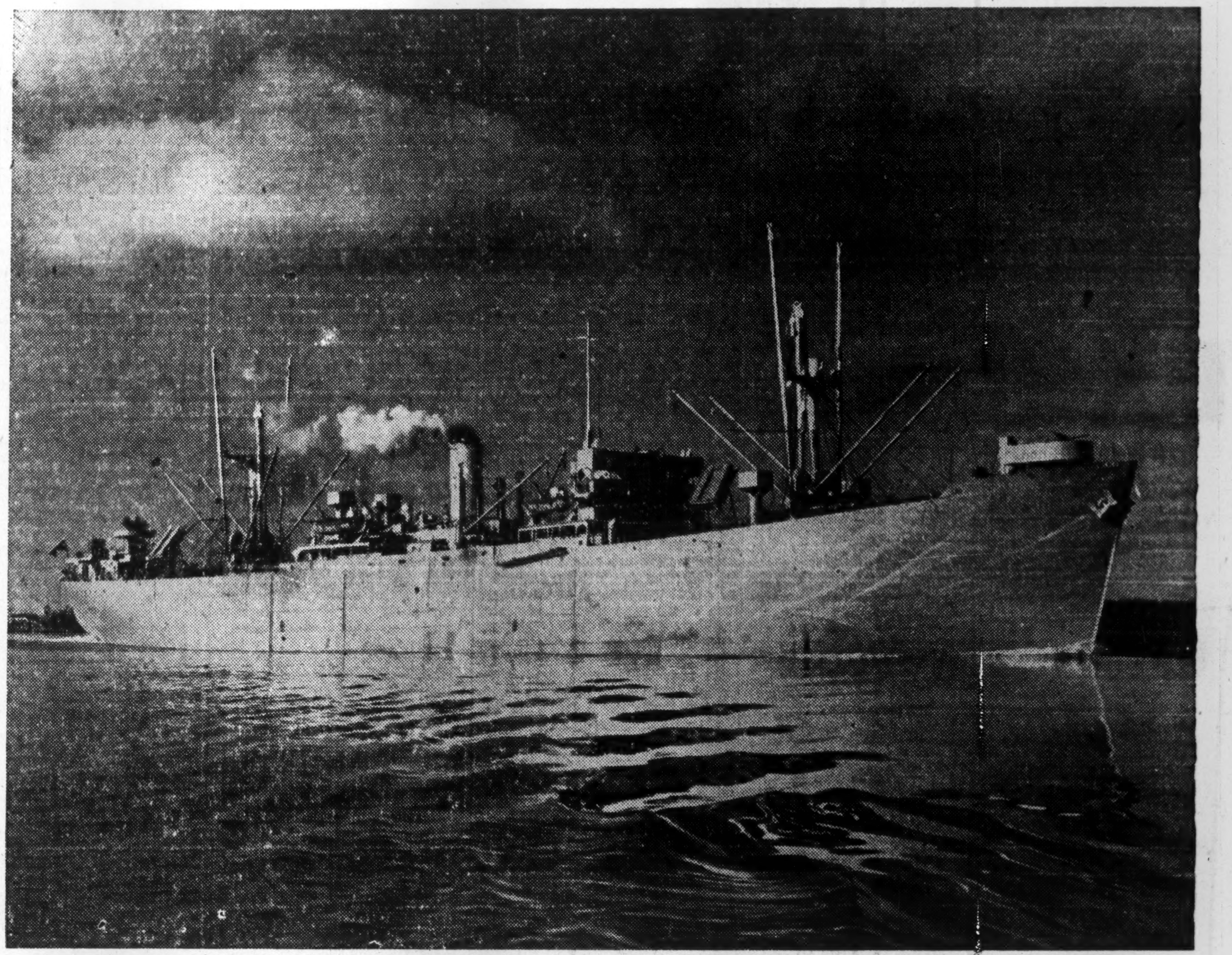

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"On some other occasion I shall have a chance to say a word about the work which the people on the farms and in industries in Canada are doing to keep Britain supplied with food and the materials of war she so greatly needs."

Prime Minister W. L. Mackenzie King,
House of Commons, Ottawa, May 22nd, 1944, on return from the London Conference.

Our appointed task in "keeping Britain supplied with food and the materials of war" is the building of cargo ships.

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Canadian National's Wartime Job

Notable Accomplishments in Research and Production

In addition to its primary war activities in the field of transportation provision, the Canadian National Railways have been helpful to wartime industrial activities in numerous other ways.

The Research and Development Department of the CNR System, through the application of the principles of research, has voluntarily contributed much to the success and relative economy with which huge undertakings of wartime have been conducted. Its services have been available to government and private industry alike and it has made many of the economic studies that finally determined the location of major industrial operations.

The department has also assisted importantly, both through field work and studies associated with their proper location, in the solution of problems connected with establishing at strategic points across the country, the many large storages of war materials awaiting shipment overseas. The scientific approach to questions of location has likewise been applied to the problems of the armed forces, especially in the establishment of Ordnance and Stores Depots.

Likewise the Land Department of the Canadian National Railways has been fully and abundantly employed in helping the government to acquire land sites quickly and economically. This co-operation helped Canada to get its air program into operation quickly and effectively. No less than 225 separate pieces of property were acquired by the Land Department for purposes in connection with this air program, work that involved negotiations with more than 1,600 property owners.

CNR Also a Producer

The Canadian National Railways System also is, itself, a producer of munitions on a large scale and in two distinct fields of endeavor.

The company's Prince Rupert Dry Dock is one of seven major yards now building Canadian 10,000-ton cargo vessels. Prior to engaging in the construction of freighters, this yard turned out four minesweepers of the Bangor class for the Royal Canadian Navy. After delivering six 10,000-ton cargo ships of the North Sands type, it is now building Victory ships, one of which has already been completed. About 1,500 men are employed in this shipyard which has also been engaged in naval ship and cargo ship repair. The North Sands type of vessel referred to is 427 feet long, has a beam of 57 feet 2 inches, and its draft is 25 feet, 6 inches. It has a speed of from 10 to 11 knots and carries a crew of 40, exclusive of gunners.

At Point St. Charles, Montreal, the company is operating a Crown-owned industry, National Railways Munitions Limited. Here, with a staff of some 1,200 men and women, 500 12-pounder naval guns and mountings have been built and delivered. It also has orders for 1,000 four-inch naval guns Mark XIX, and these are about 60% completed. In addition it has a contract for several 4.5 inch/5.5 inch gun-howitzer carriages and more than half the number ordered have already been delivered. This is a universal gun mount which can carry both the 4.5 inch field gun and the 5.5 inch howitzer. It has been in production for many months and just recently was removed from the British Army list of secret weapons. It is considered one of the most efficient pieces of artillery designed during this war and is credited with superior performance in every theatre of war. The 12-pounder naval gun weighs about 7,000 pounds and fires 30 12-pound shells per minute. It has been very effective in anti-submarine warfare. National Railways Munitions also is engaged in turning out aircraft components and more than 20 parts for other gun factories.

17,000 in Active Service

The various wartime activities of the Canadian National have been accomplished, it might be noted, despite the fact that the work has had to be done with fewer trained workers than when war broke out, since more than 17,000 of the company's personnel are on active service. In part, these absent workers have been replaced by women, who are employed in almost all branches of the System except train crews.

It would be idle to suggest that equipment standards were as high as they would have been, could the extraordinary demands of war have been foreseen. In the early months of the war, the purchase of some new motive power and other equipment helped to ease the situation, but by no means to solve it, and in succeeding years, the application of priorities has made it difficult for the company to improve its physical position; it is only through the exercise of unremitting toil and caution, that the position has been maintained. Needless to say, the continuing scarcity of certain basic materials and progressive shortages of labor are causes for growing managerial anxiety.

This war and the last have demonstrated that, with a war in Europe, Halifax becomes one of the most important seaports in the world. There is only one railway linking that port to the rest of Canada with an unbroken, direct line of steel—Canadian National Railways. Accordingly, no matter where the traffic destined for that port may originate, ultimately the most of it must be handled, part of the way at least, by the Canadian National Railways. What that means to the railway concerned and to the national war effort, is indicated by the fact that on many occasions, for days at a time, as many as 100 trains a day have been operated in and out of one terminal on the Atlantic Region of the company. This works out at about one train every 15 minutes and much of the movement has had to be done over a single line track.

Unusual Jobs Handled

There has been occasions also when the company, with a minimum of notice, has been required to handle as many as 10,000 troops over this same heavily-burdened portion of the line in 24 hours. Naturally such tasks have not been accomplished without some dislocation of normal train schedules, but in all cases the job required has been finished on time even though, in some instances, ticketing staffs have had to work 36 hours without sleep in order to perform the task.

Similarly, the unpredictable shifts and twists of war have thrown immense burdens upon certain sections of the line where they were least expected. Just what these are it is not yet possible to divulge, but when the story of the Canadian National Railways in the war can be fully revealed, some interesting and curious facts will come to light. Not least, will be the fact that among the lines which are proving most vital to hemispheric defence and to jumping-off points for attack, are branch lines whose abandonment was suggested only a few years ago.

Constant operating and engineering problems, many of them perplexing, have to be solved to meet wartime transportation requirements. Systems of charts which show the true picture of the equipment situation at all hours of the day, have assisted in the solution of these vital problems and have helped the company to get the maximum use of the equipment both in load capacity and mileage operated.

Many Engineering Problems

Equally severe have been the problems faced by the engineering department, especially in the earlier days of the war when industries were springing up with mushroom rapidity in all parts of the country. These industries had to be served with industrial spurs and other trackage and facilities, and speed was always a factor of the utmost importance. There were also hundreds of camp sites and air fields to be given transportation facilities; marshalling and storage yards to be built and lines, like some of the branches referred to, to be strengthened to meet the unexpected and sudden rush of heavy war traffic over them.

Since armaments are built to suit the needs of the services using them and not the convenience of the railway moving them, some highly intricate problems arose when some of these pieces of equipment had to be transported. One such was landing barges. To move these barges the company had to depress its tracks to permit the load to pass under some bridges and in certain sections, some signal towers had to be stripped and switch stands removed in order to provide the necessary clearances for the load.

Giant boilers required by industry and the Navy brought other problems. These boilers were often so big that they had to be loaded on two flat cars and as the boilers were wider than clearance, it was necessary to use single track branch lines for the haul as much as possible. When the load did come upon double track main line, the despatching had to be worked out so carefully that no train would pass on the other track during the run.

Big Hotels Crowded

Manpower shortages, rationing and other complexities, have added burdens to the intricacies of hotel management in wartime. While all summer resorts of the company were closed for the duration early in the war, the all-year-round hotels of the System have nearly all been filled to capacity since war broke out. In certain of these hotels like the Nova Scotian, Halifax; Chateau Laurier, Ottawa, and Macdonald, Edmonton, space has been and is at a premium, day after day.

Similarly, the facilities of the Canadian National Telegraphs have been taxed to the limit and their difficulties have been added to by shortages of materials and heavy enlistments of messenger boys and younger operators in the armed services. Today, 32.16% of the employees of the Telegraph Department are female as compared with 14.25% at the outbreak of war. In addition to their normal duties, which have been considerably increased, the Telegraphs have also assisted the armed forces, especially the RCAF and Royal Canadian Navy, by establishing schools for the training of teletype operators for these two services. The engineering branch of the Telegraphs has also loaned a number of highly technical personnel to "Defence Communications Limited," a Crown company. Early in the war, Canadian National Telegraphs engineers devised portable power and transmission units for use in cases of emergency. These have been placed at certain strategic locations across Canada and provide a safeguard against disruption of telegraphic service through enemy action.

Steamships flying the company's flag have been reduced in numbers by sinkings through enemy action, by conversion of vessels into auxiliary armed cruisers, hospital ships and other causes. One of these vessels, the "Prince Robert" effected the capture of an enemy cargo ship and another, the "Lady Nelson," has been doing proud and valiant service as Canada's hospital ship. The Pacific Coast fleet has been continuously engaged in important services off the West Coast. Among the humbler craft, such as ferries and tugboats, are several instances of the performance of gallant rescues of distressed vessels and valuable assistance to the Admiralty in towing disabled war vessels. Honors received by Canadian National Steamships' officers and crews for meritorious and brave conduct have been numerous.

Air Travel Doubled

In the air, through the operations of Trans-Canada Air Lines, the war service of the company has been equally notable. This company now flies a route from St. John's, Newfoundland, to Victoria, B.C., the longest single main-line air route in the world and, in addition, as an agent for the Dominion Government, it is flying the Atlantic Ocean regularly with mail for troops abroad and certain high priority passengers. In the past year (1943) Trans-Canada Air Lines' planes have flown 8,187,000 revenue miles and have carried 141,000 passengers; 3,900,000 pounds of mail and 840,000 pounds of express. The last figure represents an increase of 100% over 1942, and is indicative of the increasing burden that the Canadian National Express, in common with other departments, has had to shoulder with, it might be added, less staff and generally fewer facilities.

Although the wartime history of the Canadian National System is essentially the stories of the hundred thousand men and women who comprise its working forces, these men and women have served also in another role, as private citizens.

In the four years of war more than 17,000 of them have joined the armed services, the merchant navy, or have been on special war assignment with the government. Already 365 of these men and women have died in the service of our country, 253 of them at sea. In addition, seven have been listed as missing and another six are prisoners of war. A very incomplete list records the fact that some 30 Canadian National men have been decorated for meritorious and gallant conduct beyond the ordinary call of duty.

In the five Victory Loan Campaigns, Canadian National men and women have been purchasers of bonds to the extent of $26,924,600. In the Fifth Victory Loan Campaign the number of individual subscribers was 80,361, or 88.6% of the the total number on the company's payroll. The company's investment in Victory Bonds during the five campaigns was $45,333,350 which, when added to the employees' purchases, brings the combined total up to $73,257,950. These sums do not include purchases by employees of War Savings Certificates, a figure which now exceeds $7,000,000.

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Booster equipped locomotives are playing an important part in keeping war material rolling.
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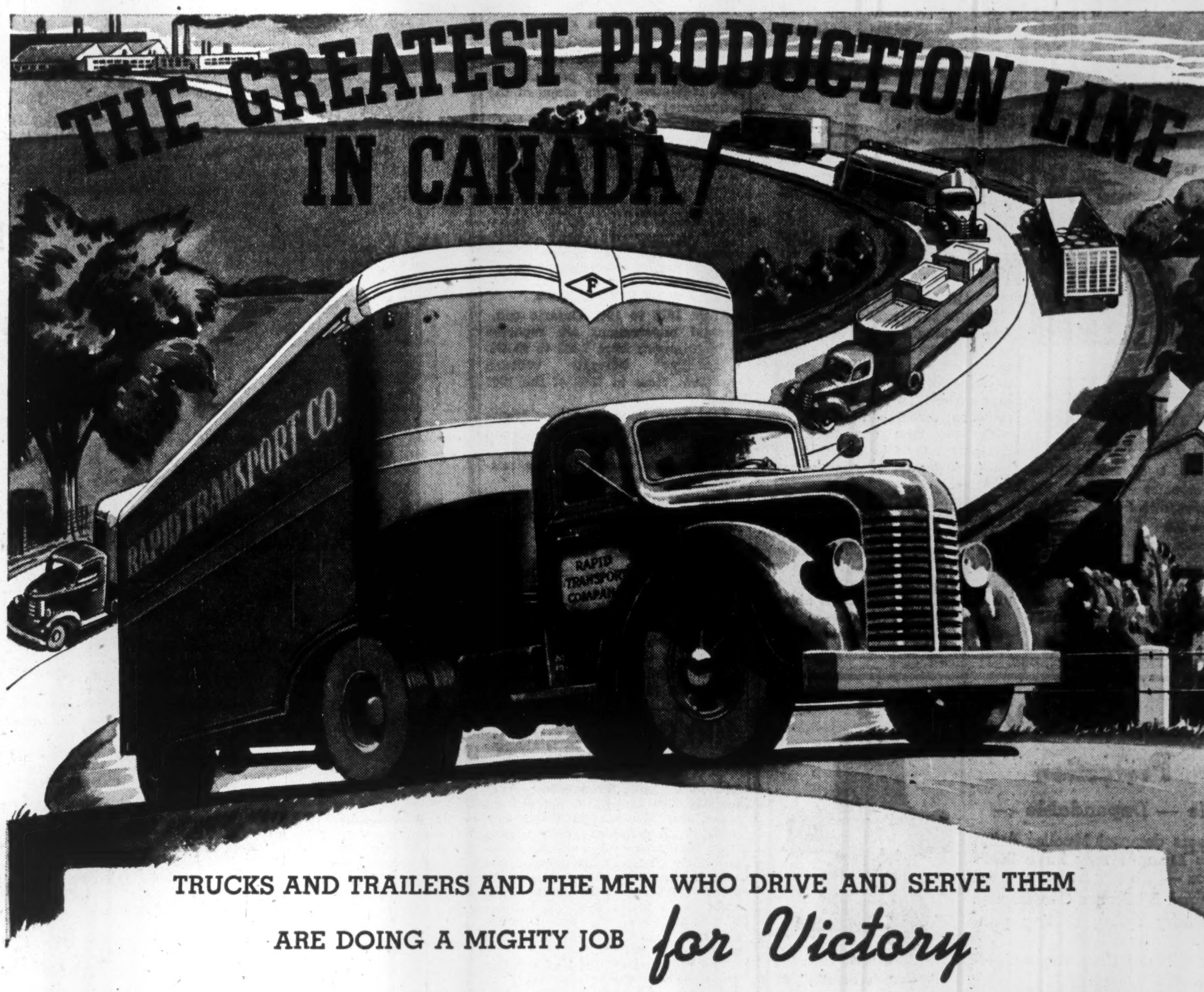


TRUCKS AND TRAILERS AND THE MEN WHO DRIVE AND SERVE THEM ARE DOING A MIGHTY JOB for Victory

Today our highway transport system has become the greatest production line in Canada's history — operating on time-table schedules. Trucks and Trailers speed the material of war — from mine to mill, from feeder plant to assembler, from factory to ordnance depot. For instance, a single aircraft may contain parts from 500 factories; 350 contribute to the 25 pound field gun. At least 600 firms participate in the motor vehicle program.

While this great fleet is uniting a network of widely-spread manufacturers into a single production unit, more trucks and Trailers are gathering up the country's record-breaking output of food — necessary for the war workers, the army camps and for shipment overseas. As an example of what is happening in all parts of Canada, 84% of all the hogs, 61% of all livestock and practically every drop of milk that comes into Toronto is shipped by motor transport.

YES, IT'S A BIG JOB THAT TRUCKS AND TRAILERS ARE DOING — A JOB THAT COULD NOT BE DONE WITHOUT THEM.

But trucks and Trailers do wear out . . . and due to lack of replacement vehicles, repair parts and mechanics, the number laid up is unusually high, seriously affecting the movement of war freight and causing the operators heavy financial losses. And continued losses are one of the surest ways in which highway transportation can be destroyed.

THE ANSWER IS A SIMPLE ONE

Only two things need be done to preserve Canada's indispensable motor transport industry: (1) make sure the industry is supplied with an adequate number of vehicles and repair parts — (2) permit the use of a rate schedule which will enable the carriers to operate on at least a break-even basis.

FRUEHAUF TRAILER COMPANY OF CANADA, LIMITED
Toronto, Ontario. Montreal, Quebec.

Fruehauf TRAILERS
A TRUCK IS LIKE A HORSE

Reconversion Puzzle to British

Industrialists Know Their Minds, Officialdom Not so Clear

By A. B. MUDDIMAN

The following account of British reconversion problems is cabled to The Financial Post by Mr. Muddiman, for many years associated with Canada's trade and commerce department.

LONDON. — The first thing I learned in England about reconversion of industry to peace requirements was that it was useless to ask anything of an official until definite plans have been approved and printed. To the average titled barnacle, reconversion is as yet only a highly controversial topic.

I asked one of them, "What peace products, if any, are being made available in Britain today?"

Looking at me severely he snorted, "None."

I persisted: "What definite programs are being formulated?"

"Too many," he replied venomously, "and all of them are in the air."

Unabashed, I went on. "What kind of reconversion priority will there be?" I asked.

"Building," he whispered, "housebuilding, but understand, we are not converting yet." Highhatting me, he then escaped.

Balked by Officialdom

Repeated assaults on officials were repeatedly repulsed, until I realized that to get any idea on what will take place over here one must leave official circles and seek the most inventive and active brains in the country if one is to get a picture of Britain's future reconversion from war to peace.

With this in mind I will give the reactions of some of the most dynamic Britishers to my questions.

Outstanding Industrialist

An outstanding personality among British industrialists is Wallace Charles Devereux. Apart from being chairman of High Duty Alloys and of 13 other companies, he is the man by whose foresight there were enough planes to fight the Battle of Britain, and who, as Sir Kingsley Wood said, "saved the RAF."

"Dev," as he is known to his thousands of workers, is a character almost American in force but wholly British in outlook. In Devereux's early life the manufacture of pistons in aluminum alloy was the first step up. Then he founded High Duty Alloys on borrowed capital, and turned out forgings, stampings and castings as perfect as can be made. His success can be realized when one remembers that he produces three quarters of the components of aero engines, made by companies from Rolls Royce downward.

Angry Bride, £50,000 Order

In his honeymoon on the Continent he had an infuriated bride but also an order for £50,000 from Batas, famous pre-war Czech shoe company. Without knowing a word of any foreign tongue he talked them into buying.

Pre-war days, and growing foreign orders, found him all over the Continent, including Germany. What he saw there showed him Hitler's game. His visits to the Heinkel and Henschel works and elsewhere made him fear greatly for the strength of the RAF.

He reported to Whitehall on what the Reich was up to, but he was just another voice crying in the wilderness. So he started his own preparations by spending thousands on his factory—(1) in major works enlargement, (2) installed a rolling mill, his 10th, (3) constructed a private shadow factory, and (4) erected air raid shelters and decontamination chambers.

Ready for Crisis

Then, when the Yakobi brothers fled Germany because of Hitler, to found International Alloys in Britain, it was Devereux who welcomed them. By such foresight the Devereux works were better prepared to face the crisis than either the Government or other industries. When it came, official circles recognized him not only as a man with vision but as a go-getter. They asked him to organize and co-ordinate the supply and maintenance of aircraft. Arriving in Britain from Canada and the United States, in five months he had reduced almost to nil the delay in getting American-made aircraft from British unloading docks into the air.

Then to his work as controller of North American aircraft was added the job of aircraft repair. By now he has put so many crashed and damaged planes back into the air to fight with the RAF that the figures, if published, would amaze the general public.

Many Other Interests

Besides his official and business interests Devereux became vice-president of the Royal Aeronautical Society, is on the council of the Institute of Metals and a member of the American Aero Technical Society. Further, he is the man who put Britain on her feet in the production of magnesium. He produces it by the quickest and the cheapest method yet discovered.

It was to this man I went to find out what he thought of Britain's reconversion future, and also because of what he wrote recently about Canada's aluminum industry.

I found a stocky, red-faced man in his early fifties, dapperly dressed and easy to approach, with none of the hemming and hawing of the small man who lacks ideas. Last year, when he was sick for a day or two, he wrote a pamphlet on postwar reconstruction of industry in South Wales which caught the eye of the most advanced thinkers.

Wouldn't Fritter Away Profits

Besides a wide industrial experience, he has a genuinely fresh mind. For him, industrial enterprise is essentially dynamic. "Changes of technique are constantly occurring," he says, "therefore research is industry's open sesame." Further, he has the strongest conviction that the profits of industry should not be frittered away to make an investor's holiday. A good proportion should be reinvested, to keep the plant up to date. He believes if this is done that Britain can hold her own with America and Russia in the promotion of research.

Further, his axiom is that the prosperity of a region depends on the proper use of its natural resources. He believes the future will be a neo-technic age.

Government Intentions Dim

He told me that "while British industry knows the way it wants to go, it has no idea where the Government wants it to go.

"It is clear, however," he said, "that the Government intends to hold on to its control of industry as long as it can. But to keep this control in peacetime will be a bigger problem than the Government thinks. The civil servants' capacity to handle industry is limited.

"When industry is no longer bent on winning the war it may want to shake off the shackles, and it can. First remember," he added, "the Englishman's attitude to controls. When the war is over he will want to get rid of many of them. But others, don't forget, he wants to retain. He has no love for controls on raw materials, those on buying and selling, restraints of activities, etc., but he realizes the necessity of certain controls, above all, those whose purpose is to preserve the savings of the average man, who has lost many assets.

"Often his home, his linen, crockery, etc., have gone by the boards. These he should be able to replace and he must be safeguarded so that he can replace them at a fair price and in the right quality.

"In fact, control is necessary to check exploitation. The citizen must be protected from get-rich-quick traders. Again, controls on finance business and share dealings are also wanted. Controls which lead to full employment are needed as much as controls hampering liberty are not wanted. Again, the control of British capital used in foreign investment is needed.

Co-ordination Necessary

"We have machinery as up to date as anywhere else in the world, but we must turn it to the production of peacetime goods. To effect this the Government must co-ordinate with industry and indicate how financing will be arranged. The excess profits tax must be abolished. Taxation must be revamped. I would suggest more direct and less industrial taxation.

"Further, what is our government's control of the location of industry going to be? Connected with this is the question of the distressed areas. Elimination of these is a barometer for gauging our prosperity. New factories must use local resources and the natural resources of the distressed areas must be developed to create their renaissance."

Workers' Future Plans Subject of B.C. Quiz

From Our Own Correspondent

VANCOUVER.—Independent industrial groups in British Columbia are not waiting for the government or municipal authorities to make a postwar employment survey. They are going ahead on their own initiative, and the data they collect as a result of their present effort may be of substantial assistance in planning for the future when industry must meet competitive conditions without war's emphasis.

The survey is being made for Vancouver shipyards and Boeing Aircraft of Canada by the Industrial Reconstruction and Social Development Council, which represents 144 service, trade union, social, fraternal, political and other organizations. It is a development of the British Columbia shipyard conference which broadened the base of the council's previous activity so as to tackle the postwar employment problems realistically.

Worker Quiz

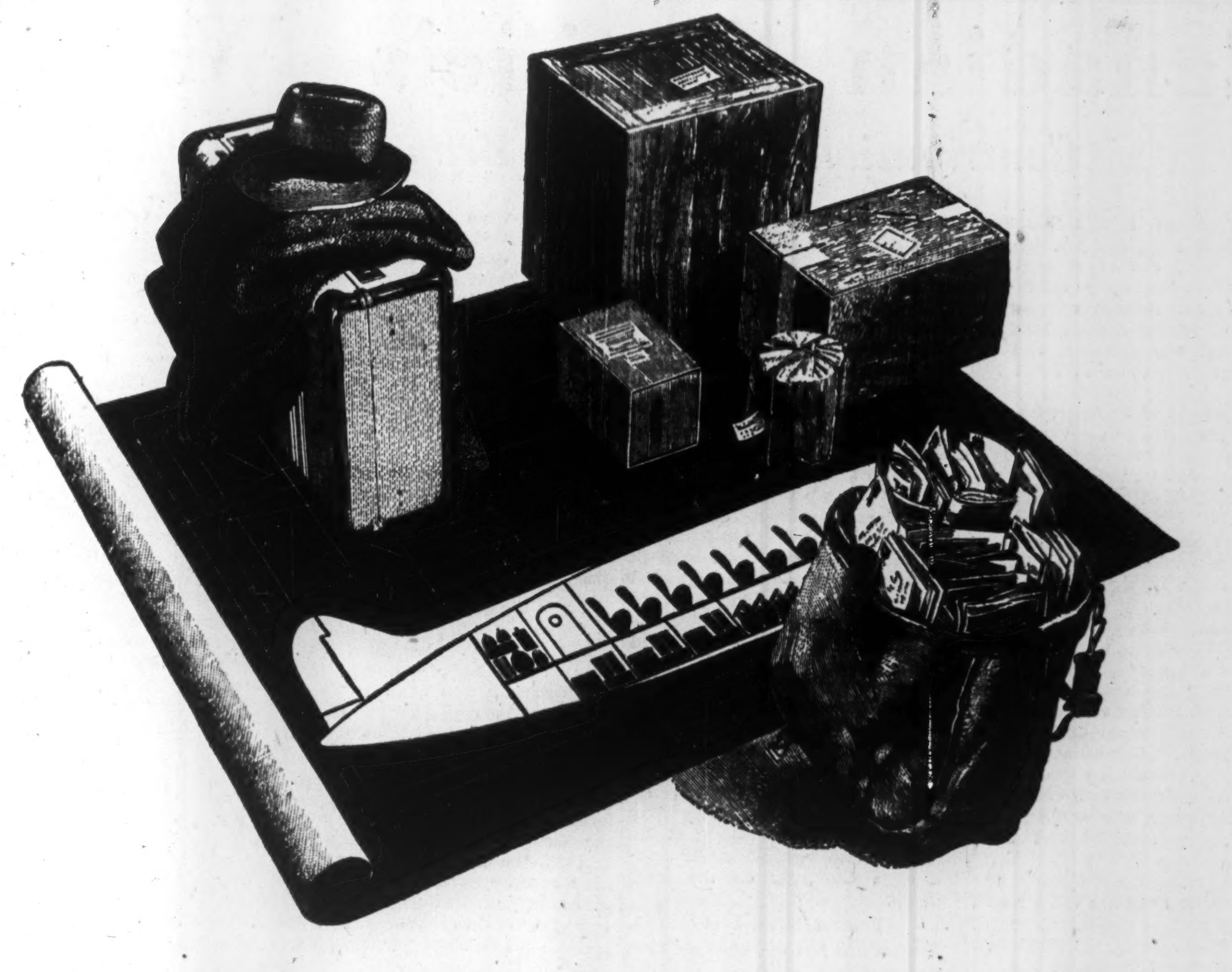
Every man and woman employed in the shipyards and aircraft plant will be given a questionnaire, and the returns expected from more than 25,000 warworkers are expected to provide a great deal of practical information. The workers will be asked to state whether they have definite plans for the postwar period and, if so, what are they? They will be asked where they came from to their present jobs and whether they intend to remain on the coast when the job is done.

The survey will be conducted in somewhat the same manner as one recently taken in Portland, Ore., war industries. Returns were filed by 60% of the workers canvassed in Portland.

It was found in the Oregon city that 21.3% of the newcomers had definitely decided to stay in the west after the war, and that another 30.6% wished to remain provided that jobs were to be had.

The analysis of the results to be obtained will be made available to all sincere bodies who wish to make a planned approach to postwar problems, according to G. S. Culhane, secretary of the council, who added that so far as individual replies are concerned the strictest secrecy is imposed.

It is believed that the survey will have a considerable bearing on the building situation here, inasmuch as there is a housing shortage here already and there must obviously be extensive construction if the city is to become the permanent home of a large number of people now engaged in war industry who plan to make their permanent homes here.



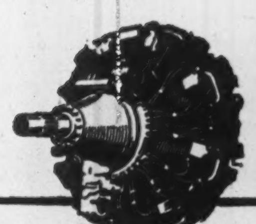
The real payload is the *full* load

Let's be realistic. Many have prophesied, ourselves included, the future vastness of air transportation. The industry well knows its great possibilities. But the most pressing problem in aviation will be to make sure that *all* transports, large and small, fly full.

The full transport is the key to expansion because it provides that margin of profit which makes possible reduced rates—and, in turn, more business. First class mail by air, the opening up of new cargo possibilities, the establishment of feeder service, faster schedules and more economical operation are goals which will provide increased public usefulness and acceptance. All are within reach and can be made actualities of the near future.

As an engine manufacturer, our contribution is operating economy. The aircraft designer can rely on Wright engines to operate on less fuel and cost less for maintenance. And because they weigh less than comparable powerplants, they provide a profitable payload bonus.

Wright Cyclones pay their way.



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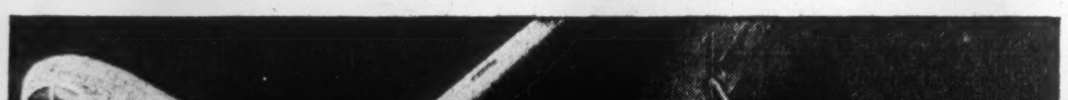

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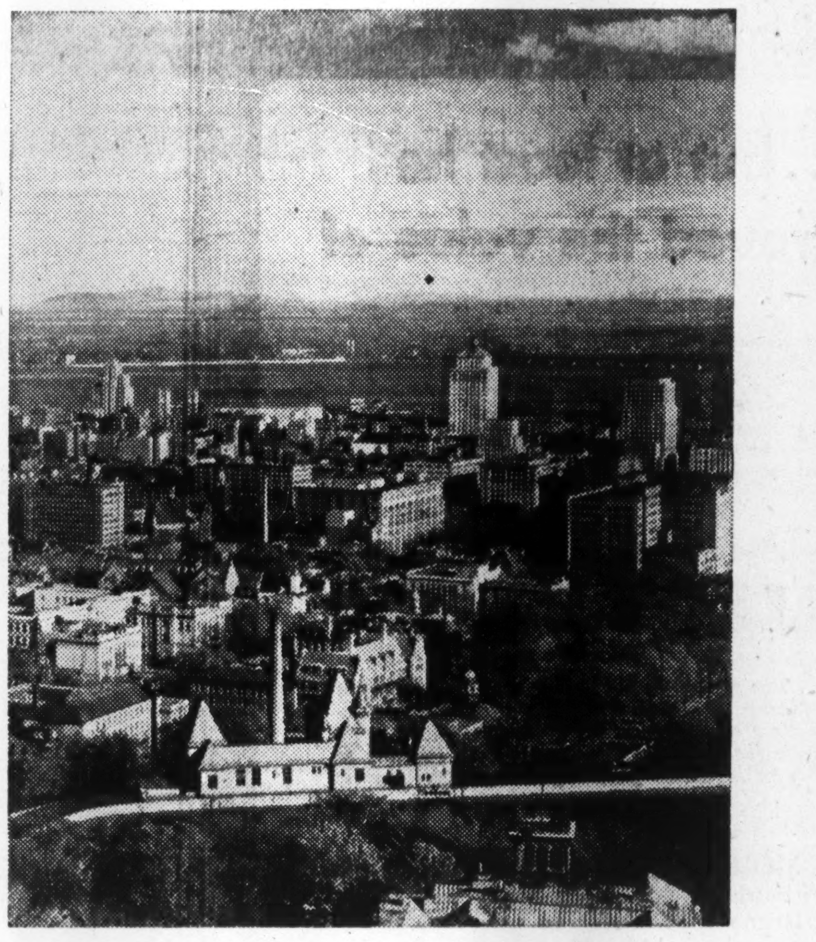

From its inception Montreal grew because of its location as a transportation centre.

Today this location supplemented by modern agencies of transport—both in terminal and manufacturing facilities—finds Montreal one of the great key transportation cities of the world.

What are these facilities and their importance to you as a manufacturer, distributor, importer or exporter or as a traveller.

HARBOUR AND SHIPPING — Although situated 1,000 miles from the Atlantic seaboard Montreal because of deep-water access to the sea has become one of the great harbours of the world. It is the outlet, too, for all the vast traffic stream which originates from the head of the Great Lakes, east to Montreal.

In ship construction and repairs Montreal's shipbuilders have added another notable chapter of achievement during the war years.

RAIL — Both of Canada's great national railways have their headquarters in Montreal. Both of these operate plants for the building and repair of rolling stock. Other companies are large scale builders of railway and tram cars, locomotives and railway supplies.

Montreal's rail facilities have played a most important part in the city's present record industrial output.

AVIATION — The war years have opened up a new chapter in Montreal's development in the field of aviation, the outgrowth of the city's strategic location.

As a major point of trans-oceanic flight of the vast bomber production of this continent, Montreal's airport ranks with the busiest on the continent.

In addition to its being the centre of trans-Atlantic flights Montreal's airport is the locale for daily arrivals and departures to Canadian and United States destinations — notably those which reach Canada's northern areas, opening them up for profitable post-war development.

AIRCRAFT PRODUCTION — Montreal has established itself as a ranking centre of aircraft production from the best in light training and smaller transport planes, the latest fighter and dive bombers to the giant flying patrol-ships.

The recently announced allocation of the contract for the building of the Douglas DC-4 transport plane to a Montreal firm is indicative of the skills, experience and production record in the aircraft industry the City affords.

INTER-URBAN — Montreal already has the largest inter-urban tramways and bus system in Canada. Plans are under way for the post-war building of a subway should the project be approved. Helicopter use as a supplement to bus travel is already envisioned for post-war development.

The new suburban railway line linking north-east Montreal with the Mount Royal Tunnel will facilitate quick transportation from the outskirts to the centre of the city.

SERVICE

The Montreal Industrial and Economic Bureau is established to render every service to industry and commerce.

A competent staff of economists and industrial engineers is available to provide market surveys, tax, real estate, banking, customs, freight rates and other data pertinent to the establishment of branch plants or new business enterprises.

These services are rendered confidentially and without obligation or cost.

MONTREAL MEANS MODERN TRANSPORTATION FOR YOUR MANUFACTURING GROWTH

MONTREAL INDUSTRIAL and ECONOMIC BUREAU

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"A Municipal service of the City of Montreal"

Geo. S. Mooney — *Co-Directors* — Valmore Gratton

Canadian Pacific's Wartime Job

Contribution Made by All Branches of Railway Company

The Canadian Pacific Railway Co. has done a big war job, despite the fact that, out of more than 75,000 employees, more than one quarter of that number enlisted in the armed forces, are on loan to Government war agencies, and in the Reserve Army, as at April 30, 1944.

In the sphere of transport its rail lines—21,000 miles of the vital steel ribbons which tie together Canada's war effort—have handled an ever-increasing flow of business. Enlistments and difficulty in getting equipment have made the job just that much tougher. In the seventh month of the fifth year of World War II the company was minus the experienced railroading skill of close to 11,000 men from the railway who had answered the call to the colors along with more than 6,000 who went from other branches for a total enlistment of 17,454 on active service. Throughout the entire period, additions to hard-pressed rolling stock could be made only after other war demands on the necessary material had been satisfied.

In the skies over Canada the company's air lines has to its credit a leading part in the emergence of the Alaska Highway, the Northwest Joint Defence Air Route, the oil wells and the pipe line in the Far North and in the freighting of vital war minerals from there. The 12,000 miles of North-South air routes flown by Canadian Pacific Air Lines provided the airplane service needed to get these projects started and keep them going, with 90% of the company's flying being on war work.

Training Schools Operated

Actual preparation of sky fighters is another part of the air lines' role for it operated seven schools for the British Commonwealth Air Training Plan on a non-profit basis until the end of 1943 when the number was cut to six as the one elementary flying training school in the setup was discontinued, because of a change in Air Training Plan policy. In 1943 a total of 41,000,000 training miles was flown in the six air observer schools.

The air lines also manages five aircraft repair and engine overhaul plants and in all 9,100 persons are employed in the three branches—transport, training and repair-overhaul. A signal honor which came to the air lines was when four of its personnel were awarded the United States Air Medal for their skill in effecting the rescue of 27 U. S. Army Air Force personnel lost in the wilds of Quebec in 1943.

At sea Canadian Pacific Steamships Limited put its 18 ocean steamships at the disposal of an Admiralty desperate for shipping in 1939, and, in addition, the company turned over two vessels from its British Columbia Coast service and the Aorangi and Niagara of the Canadian Australasian Line, Limited, in which the company and Union Steamship Company of New Zealand are partners. Since that time these former luxury liners and fast cargo ships have been in all the "hot spots" of this global war—as troop ships and as vital links in the supply line and one—the Empress of Russia—was used to bring wounded prisoners, many of them veterans of Dieppe, back from Germany to Great Britain, in the exchange made in the fall of 1943. It was a company ship—one of the Duchesses—which got Canadian troops safely back from France just before Dunkirk, successfully braving the enemy attack at St. Nazaire which resulted in the sinking of a Cunarder on the same mission.

Famous Boats Lost

Sea service has not been without sacrifice either, with the casualties including the mighty Empress of Britain, proud flagship of the fleet, which went down fighting in the North Atlantic in 1940; the Empress of Asia, a former queen of the Pacific run, gutted and sunk by the Japs off Singapore in 1942; the Empress of Canada, sunk in 1943 by the Italians off Freetown, West Africa; the Montrose, torpedoed in the Mediterranean, serving as H.M.S. Forfar, an armed cruiser, in 1940; the Niagara, sunk off Australia in 1940; the freighters Beaverburn and the Beaverford, sunk in 1940; and the Beaverbrae and the Beaverdale, sunk in 1941; and one of the two B. C. Coast Service vessels sunk in the Mediterranean in 1942. The company's seagoing personnel has hit back—and hard—with one instance revealed by the censors being the Duchess of Bedford's feat in sinking one U-boat and putting another to flight.

The Bedford's submarine kill is one of the more spectacular actions back of the list of decorations and awards won by company sailors, some of them being for fighting service in the Royal Navy. Fifty-eight medals and mentions in despatches were included in summaries released in 1943 and 1944, headed by one award of the Distinguished Service Order, five Distinguished Service Crosses and one George Medal. The battle stations in which the honors were earned were as widespread as the all-embracing war and included Dunkirk, Singapore, Dieppe, Diego Suarez in Madagascar and Oran, North Africa.

CPR Men Win Honors

This record of the heroism of steamships employees was but a part of the broader list of honors for all company personnel which included acts of exceptional gallantry in the army and the air force, as well as in the navy and on Admiralty service. Flak-filled skies over Hitler's Fortress Europe have seen company men win high decorations in the crews of the sledgehammer bombers and their heroism has been recognized on the land fronts.

Addition to the RCAF's striking force of these two Spitfires through the Golden Aircraft Fund fairly typifies the splendid response of the Canadian Pacific home front to all campaigns. In the first six Victory Loans the company and its personnel contributed $115,874,800.

In the CPR communications department a service of inestimable value is performed in meeting the radio and wire requirements of the various war departments. A vital factor in tying together a war effort spread all over the Dominion for both industry and the armed services is the company's telegraph service and its pole lines and wires which fill the gaps between Sudbury and Winnipeg, in certain sections of the Kootenays and along the Kettle Valley Railway in British Columbia to make possible trans-Canada telephone calls. As a sample of the terrific load carried by communications the records for one war year—1942—show that 4,816,836 telegrams and 675,161 cables were accepted for transmission.

Tanks Made in Shops

Besides the important job of carrying the tools of war to waiting ships for despatch to the war zones, the company makes those tools itself. At Angus Shops in Montreal a splendid record was made in the production of Valentine tanks which saw service with the Soviet armies in Russia. In May of 1943, when the last tank rolled off the Angus production lines, with the needs of modern war having dictated a switch to other weapons, Major-General I. A. Belyaev, chairman of the Soviet Government Purchasing Commission in the United States, wired congratulations to H. B. Bowen, the company's chief of motive power and rolling stock. In that wire the Russian general said the work at Angus Shops had "contributed much to our common cause," and he was quoted by Hon. C. D. Howe, Minister of Munitions and Supply, as saying "the Canadian tanks, Valentine VII, have shown good results in combat action on our front and have proved themselves the best of all our imported tanks."

Among the "other weapons" which the munitions department at Angus Shops has manufactured since completion of the contract for more than 1,400 Valentine tanks are huge main marine engines and condensers for the Royal Canadian Navy escort vessels. The switch-over to marine engine work was going on at the same time as the last of the tanks were completed with "the very best efforts" being put forth, "by all persons responsible for this work" to meet the urgent need.

The tank contract was marked by a company innovation of great benefit to all similar contracts—something which was common all through the war jobs handled by the company. Company engineers on this contract devised the plan of using one-piece cast turrets and cast noses for tanks in place of the previously used built-up parts. Adding to the fighting effectiveness of the "land battleships," at the same time as it simplified their construction, this departure was widely applied thereafter in tank construction in this country and elsewhere. In addition to making a better tank possible the one-piece castings for the noses and turrets saved much money and many precious hours. They were an important part of a company program which saw close to a million dollars and hundreds of thousands of working hours saved over the life of the contract.

Of these Valentine tanks Mr. Coleman told a Montreal audience in January of 1944 that "the tanks for Russia went forward, complete with repair parts, and an initial fuel supply, carrying with them full typed instructions, and an inventory of parts, in the Russian language. We have been told that some of these tanks left the landing dock under their own power ready for action within 45 minutes of the tying up of the ship in a Russian port."

Ogden Shops in Calgary also shares in stocking democracy's arsenal—particularly for the desperate Battle of the Atlantic. From this huge company work centre in the foothills came naval guns, Ack-Ack gun mounts, gun barrels and sights and breech housing mechanisms on contract to the Royal Canadian Navy, the Royal Navy and the United States Navy. Company-made guns for both merchant ships and fighting craft played a big part in the grim struggle against Hitler's submarine killers.

Another unusual war job handled by the company's office of motive power and rolling stock was in connection with 145 locomotives built in Canada for the Indian State Railway. The company looked after the inspection of these locomotives for the Indian Supply Mission—applying strict company standards to the tests—and sent one of its erection engineers to India to set the locomotives up on their arrival there and pronounce them fit for service. The inspection of these locomotives in Canada is the first time such a job has been done by a railway company other than the railway company purchasing the equipment or by regular inspection companies.

Special Cars Provided

At the same time as company shops made their contribution to the tools of war they were doing wonderful work in converting equipment to make it stretch far enough to cover vital transportation needs and turning out special cars demanded by war conditions.

Among the special equipment were hospital cars built to the specifications of the Royal Canadian Army Medical Corps for the carrying of casualties. Incorporating all of the latest advances in comfortable accommodation they were designed to be operated in both this country and the United States on their mercy missions. Two of these cars are already in operation and two are being built this year.

The 500 overhead refrigerator cars which the company has among the 4,046 units of refrigerator equipment in its rolling stock were other cars for which there was a special wartime mission. They were used to rush bacon to Britain, being particularly suited for the cure of bacon while in transit from interior meat packing plants to the seaboard.

The company's depressed-centre flat cars which handle "high and wide" loads were other units playing a vital part. They were the only ones which could handle a huge extractor tank for a synthetic rubber plant and their other loads have included towering corvette boilers, war plant transformers and invasion barges, which, in addition to being high, protruded over the sides of the cars. Because of this a special movement technique had to be developed in which loads were jacked up or lowered, as circumstances demanded, to get them by permanent installations such as half-deck girder spans on bridges. In some cases installations had to be removed temporarily in this special transportation which pioneered the way for movement of such shipments and was copied by other roads in Canada and the United States to the benefit of the war effort.

Through all this time of unusual strain on its facilities the company kept before it as a constant maxim the conservation of strategic materials. The introduction for the first time of plywood to replace steel sheathing on boxcars and the substitution of single wood sheathing for steel resulted in a saving of 850 tons of steel on 750 new freight cars.

Rubber was reclaimed by the development of a process, and a machine, for splicing the good sections of burst and worn hose used for brake and signal connections, which formerly were thrown away. A saving of 61.5% in tin consumption was noted in 1942 as a result of a campaign to cut down use of this metal after the Japs seized Far Eastern mines.

Fuel Uses Cut

Fuel conservation also was practised with great vigor by the company with a view to saving 10% of its requirements and getting company people to make comparable savings at home. The 10% goal set up for the system was a remarkably high one, when considered in the light of the company's campaign to increase operating efficiency with regard to coal which had been going on since 1933.

The company's country-wide chain of hotels has played an important part in the life of a nation at war in providing comfortable accommodation for military missions, inspection boards and all the other travellers common to war. The proudest moment for this branch of the company's enterprises came, of course, when the Chateau Frontenac in Quebec City, in August of 1943, became the "work centre" of the conference of the democracies — sixth meeting between Prime Minister Winston Churchill and President Franklin Delano Roosevelt—with Prime Minister W. L. Mackenzie King as the host. On this historic occasion the

(Continued on page 27)

2 FAMOUS PAINTS on the Production Line!

In an ever-increasing number of industrial plants across the country paint is being used, not only to brighten ceilings, walls and floors, but to lighten machine parts. This tends to eliminate hazards of poor visibility, costly mistakes in production and safeguards workers themselves.

"LAGOMATT"
Semi-flat finish for interiors. Reflects light, eliminates glare. Washable. Use on wood or metal.

"RHINO"
Fast Drying ENAMEL — For interior or exterior use on wood or metal. Waterproof, washable, hard, smooth surface.

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Builders Busy Across Canada

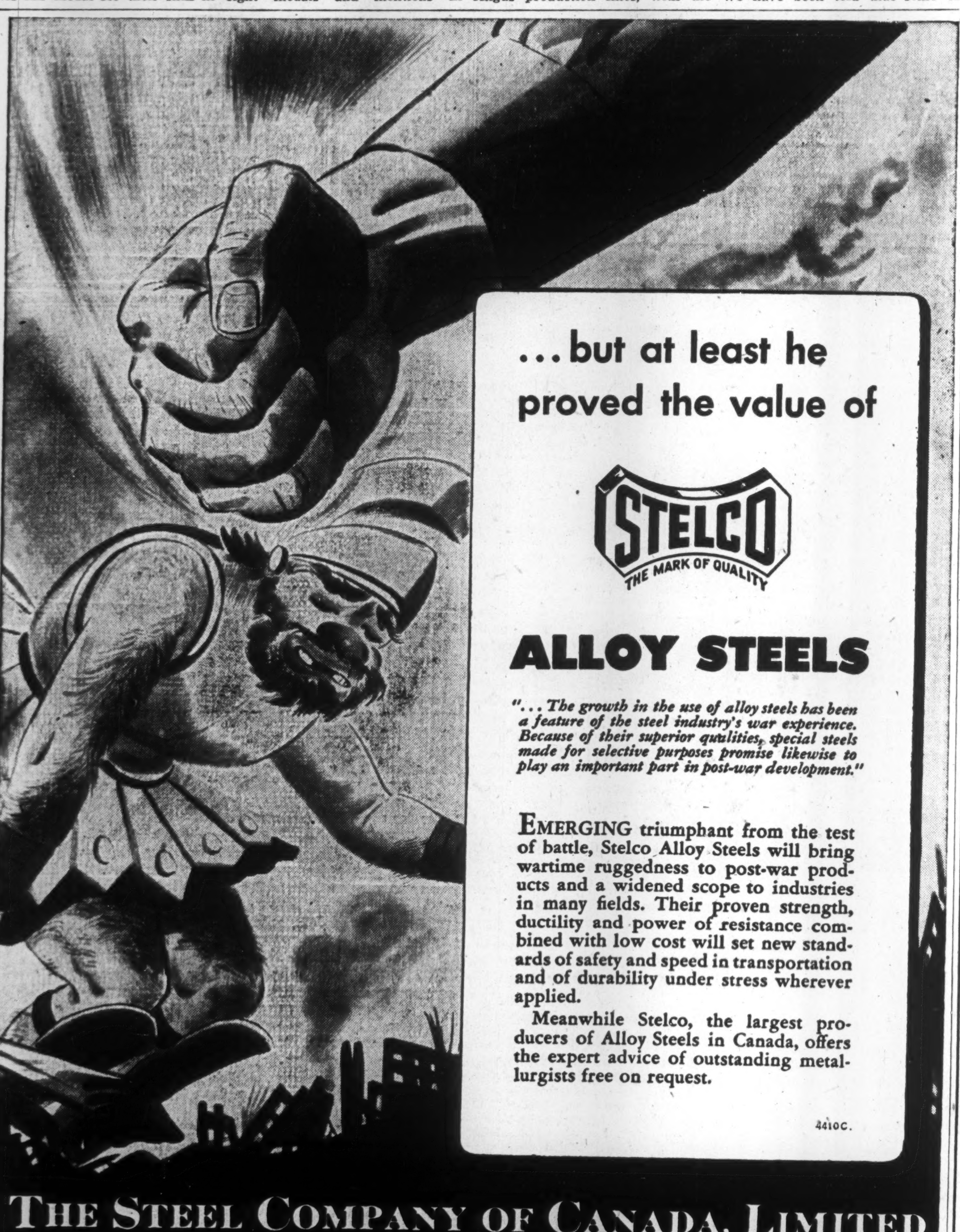
With a couple of $60,000 bowling alleys put under construction at the Canadian automobile capitals of Windsor and Oshawa, in Ontario, building awards for the month of May brought further signs of loosened controls.

But the biggest awards of the month still came from Government on war account; the undertaking of a $1.5 millions road job at Fort Nelson, B.C., a $1.5 millions airport contract at Edmonton and another at $1 million at Grande Prairie, Alta., indicated the defense construction program, while vanishing, was not out of sight yet.

Between these extremes, the recent resurgence in residential, institutional and industrial building continued.

Total value of construction contracts awarded in May was $31.7 millions for all types of work and all parts of the country, according to MacLean Building Reports. That figure is $8.2 millions or about 33% higher than in May, 1943. For the year to the end of May—five months—the total of awards is put at $115.4 millions, $33.7 millions higher than the $81.6 millions total for the first five months of 1943.

House building took a major share of the total gain for the month, with a total of $16.7 millions against $10.3 millions in May, 1943.



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EMERGING triumphant from the test of battle, Stelco Alloy Steels will bring wartime ruggedness to post-war products and a widened scope to industries in many fields. Their proven strength, ductility and power of resistance combined with low cost will set new standards of safety and speed in transportation and of durability under stress wherever applied.

Meanwhile Stelco, the largest producers of Alloy Steels in Canada, offers the expert advice of outstanding metallurgists free on request.

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TRAFFIC

The co-operation of industry and business to speed up traffic is an urgent need of city transportation.

Streets are used by pedestrians, private automobiles, taxi cabs, public transit vehicles and by commercial trucks for transport and delivery of goods.

The problem of this Company is to move 100,000,000 more passengers this year than in 1939. This requires that our trams and buses travel each day 131,000 miles.

It is vital that every effort be made to use all traffic arteries efficiently. The war demands it. All city and commercial activities suffer when streets are choked with traffic. Recent checks show the serious congestion in the central business area, in which rush hour street car speeds are reduced to only 6.06 miles per hour.

What Can Be Done Today to Overcome Present Traffic Congestion?

1. The adoption by industry of a more extensive use of staggered hours.
2. The routing of delivery and transport trucks on thoroughfares not congested by trams and buses.
3. The avoidance by private automobilists of tram tracks during rush hours.

This suggested co-operation between industry and transportation will assist all concerned to cope with wartime conditions.

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CARRY MONEY SAFELY WHEN YOU TRAVEL

Canadian Pacific Express TRAVELLERS CHEQUES

The Men on the Hustings

Key Personalities in the Saskatchewan Battle

With the Saskatchewan provincial election less than one week away, the most significant development has been the trek of Liberal and CCF party bigwigs into the hustings of this western province, regarded as a political barometer for the rest of the Dominion.

Following are brief sketches of some of the leading political personalities in Saskatchewan.

From Our Own Correspondent

PATTERSON

REGINA.—With 8½ years of office behind him, second-longest administration in the history of the province, Premier W. J. Patterson goes into the Saskatchewan general election June 15 with confidence.

The province's first native-born premier recalls that the longest office-holding administration—that of Liberal Walter Scott, the province's first premier, whose 11-year regime lasted from 1905 to 1916—was followed by another 13 years of Liberal rule; and he looks for a similar continuation this time.

Patterson came up the hard way, and the struggle has left its mark on him. His friends and co-workers know him as a modest man—an avoider of publicity. This characteristic has been reflected in a "quiet" administration, hewed closely to the line of orthodox Liberal doctrine.

Patterson was born at Grenfell, Sask. on May 13, 1886, the son of pioneer parents, one of a family of six. At 15 he left school to work on a farm, but he continued his efforts to gain an education and soon became a bank clerk in Grenfell. Five years later he was manager of the branch.

At the age of 24, five years after Saskatchewan had become a province, Patterson took a position as superintendent with the fledgling provincial telephones department. He received a lieutenant's commission in 1916 and served overseas, where he received a wound in the closing year of the war. He returned to his home province after demobilization and built up an insurance and financial business.

These experiences have also been reflected in his life as a legislator. Debt repudiation and unorthodox economic theories which swept the neighboring province of Alberta found no welcome in the mind of the former banker and financier. Widesweeping proposals for changes in governmental function found no welcome from the former civil servant.

Patterson's progress in the field of government was as rapid as it had been in banking. Five years after he entered the Legislature at the age of 35, he was made provincial treasurer and minister of telephones in the cabinet of Premier J. G. Gardiner. When the Liberals occupied the opposition benches from 1929 to 1934, he was a leading financial critic of the Conservative Anderson administration.

When the Liberals returned to office, Patterson became minister of natural resources, and of telegraphs and telephones. A party caucus chose him in 1935 to succeed Premier J. G. Gardiner—called to Ottawa to become federal agriculture minister.

Patterson's chief running mates are his chief working mates—Attorney General J. W. Estey, Municipal Affairs Minister R. J. M. Parker, Agriculture Minister J. G. Taggart.

ESTEY

Estey is a Maritimer, born 54 years ago in Fredericton, where he received his university education. In 1915 he graduated in law from Harvard, and shortly afterward brought his bride, nee Muriel Baldwin of Chatham, N.B. out to Saskatoon, where he set up a law practice. For eight years after 1921 he served as crown prosecutor in the Saskatoon judicial district, but found time to interest himself in the affairs of the University of Saskatchewan. He came to take a prominent part in its administration, serving on the board of governors from 1926 to '34. He also lectured in law and economics.

Estey made an unsuccessful effort to enter the Legislature in 1929, when the Conservatives swept into power. He tried again in 1934, won a seat, and immediately assumed the portfolio of education. This he held for eight years, when he succeeded Hon. T. C. Davis as attorney general upon the latter's elevation to the bench.

TAGGART

Taggart is another Maritimer who came west to find success. Born in Parrsboro, Nova Scotia in 1892, he later attended Truro Agricultural College in that province and served as a district agriculturalist in Frontenac County, Ontario.

At the age of 21, the tall lad with the quick mind went to Vermilion, Alta. to take a post at the school of agriculture. Following a similar position at Olds, Alta., he returned to Vermilion to become principal.

Taggart became superintendent of the Dominion experimental farm at Swift Current, Sask. in 1921. Thirteen years later he was literally drafted in 1934 to run as a Liberal. He won hands down and immediately was made agriculture minister in the Gardiner Government.

Taggart's record since that time has earned him a name as the ablest administrator in the Saskatchewan government, and the man most likely to succeed Patterson. An agricultural scientist and technician, he has been called from his governmental duties a number of times to assume federal positions. He headed the highly important Dominion bacon board. Wartime Prices and Trade Board chairman, Donald Gordon, pressed him into service as foods administrator for a year. And when last year the bacon board became the meat board, Taggart remained its head.

PARKER

Parker, like Patterson, got an early start as a farm laborer. Born in Cornwall, England, in 1881, he emigrated to Canada at the age of 17 and worked on a farm at Russell, Man. for $5 a month. Two years later he took a homestead in the Pelly district of Saskatchewan, 60 miles from the nearest town.

Although neighbors were few and far between, they soon came to know the big-limbed young Englishman. When a local improvement district was organized he was elected one of its first councillors. Six years later, when the municipality of Cote was formed, he became reeve, and held the position for 22 years.

Further proof of Parker's popularity came in 1929. When Parker, in his first attempt to enter provincial politics, won the Pelly seat in the face of a Conservative candidate. As an opposition member for five years he won a reputation as an expert on municipal affairs, and he was the logical selection for that portfolio when the Liberals returned in 1934. He has held it ever since.

DOUGLAS

Against this array of political and administrative talent, the CCF forces will be led by a ready-tongued, quick-minded young Scot, born to the public speaking platform, and with Federal parliamentary experience.

The 39-year-old Rev. T. C. (Tommy) Douglas came to Canada at the age of six, when his father left Britain to seek his health in the Dominion. He early showed an aptitude at debate and oratory, in which fields he won gold medals in his university days. He attended Brandon (Man.) College and McMaster University, receiving his B.A. and M.A. degrees. To help himself through his educational years, Douglas served as a Baptist preacher in rural parts of Manitoba for some time. He also mastered linotype operation and worked for the Winnipeg Free Press for a short period. He still holds a printer's union card.

Douglas stumped his constituency in 1934 as a Farmer-Labor candidate to gain a seat in the Saskatchewan general election but was defeated. The following year he ran as a federal candidate, and has represented Weyburn until his resignation in May to enter the provincial election.

Douglas is perhaps the most popular speaker the CCF party has in the West. With his appearance on a platform the audience settles back to be entertained, for his fund of jokes and stories, rattled off with a slight trace of Highland accent, is endless.

RAMSAY

The Progressive Conservative leader, Rupert D. Ramsay, of Saskatoon, is well known. His parents moved from Toronto to a homestead near Bladworth, Sask., when he was six. For 24 years he worked on farms and studied, and in 1929 graduated as a bachelor of scientific agriculture. Three years later he received his Master's degree from the University of Minnesota, and his career in educational agriculture has continued ever since.

Ramsay has had little activity in politics. His selection as provincial leader for the Progressive Conservatives a few weeks ago was based in large measure on his ability and popularity exhibited in university and farm instruction in Northern Saskatchewan. In this field he has quickly gathered a background of support and experience that will prove an asset in his present position.

Ramsay will lead his party in contesting more than 40 of the 52 seats in the province.

TALBOT

The Social Credit party leader in Saskatchewan, Frank E. Talbot of Moose Jaw, is running in that constituency, and about 10 other candidates are expected to enter. Talbot comes into the political arena from the grain business, having been an organizer for the Grain Buyers' Union. For 14 years he served as a grain buyer for the Saskatchewan Wheat Pool, resulting in a thorough acquaintanceship with grain farmers and an appreciation of their problems. His first taste of political activity was in 1938, when he served as campaign manager for two social credit candidates in Moose Jaw. Both were defeated.

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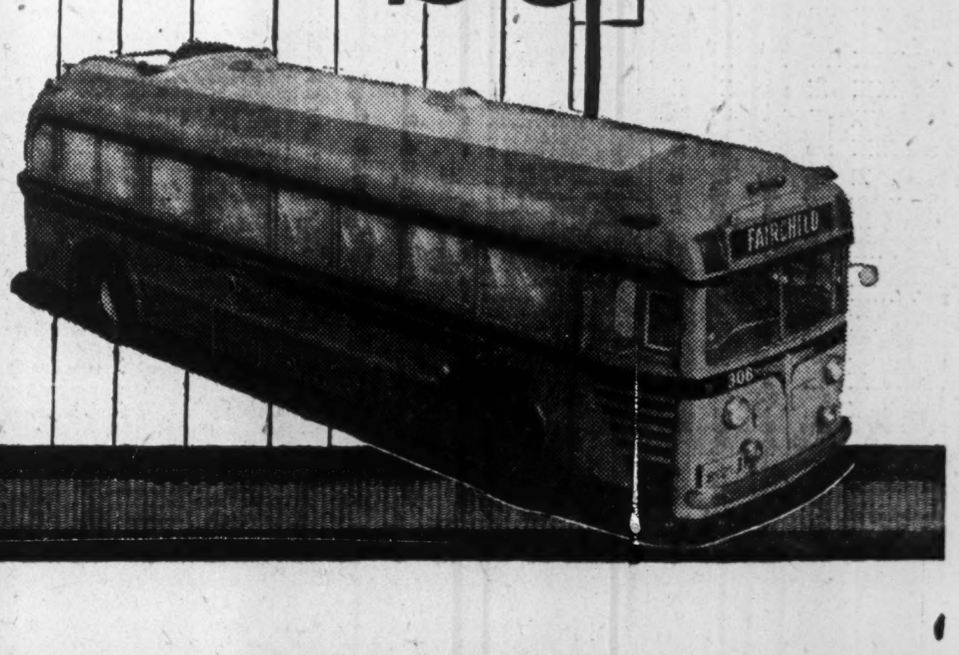

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MONTREAL TORONTO WINDSOR

THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JUNE 5

Range 1944 High	Low	Div. R'te $	June 3 Y'ld %		Sales	Last May 29	Week end. June 5 H	L	Cl'se
3¼	2¼	..	...	Abitibi	7939	3	3	2¼	2¾
36¼	27	..	...	Do. pref. 6%	10013	35¼	36¼	35¼	36
77	57	..	...	Do. pref. 7%	150	75	77	75	75
7¼	5¼	..	...	Acme Glove c.	25	7	6¼	6¼	6¼
10	8¼	..	...	Algoma Steel c	235	9	9¼	9¼	9¼
100	96¼	5	5.1	Alum. of Can. p	16	98	99	97	98
99	88	8+2	10.9	Aluminium	498	91	92¾	90	90
50	47	2.75	5.5	Ang Can Tel p	6	48¼	50	49	49
22¼	18¾	1.30	6.5	Asbestos	1658	20	20	19¼	20

Range 1944 High	Low	Div. R'te $	June 3 Y'ld %		Sales	Last May 29	Week end. June 5 H	L	Cl'se
26	19	†.35	...	Fraser Cos.	9547	23¾	26	23	24
9¼	8	.80	9	Gatineau Pwr.	585	9	9¼	8¾	8¾
90	84	5	5.6	Do. pref.	66	89	89¼	89	89¼
95	90	5.50	5.8	Do. 5½% pref.	29	94	94¼	93¼	93¾
14	11¼	†.25	...	Gen. St. Wares	872	13¼	14	13¼	13¾
110	108	7+.44	...	Do. pref.	1040	109¼	109¼	109¼	109¼
90	84¾	2.50+2	5	Goodyear Tire.	30	88	87¼	87¼	87¼
56¼	52¼	2.50	4.7	Do. pref.	83	53¼	53¼	53	53¼
5¼	3¾	..	...	Gt. Lakes Pap.	60	3¾	4¼	3¾	4¼

Range 1944 High	Low	Div. R'te $	June 3 Y'ld %		Sales	Last May 29	Week end. June 5 H	L	Cl'se
8¾	5¼	.40	4.6	Stand. Radio	200	8¼	8¾	8¾	8¾
65	62	3	4.7	Steel of Canada	128	64	64¼	63	64¼
72¼	69	3	4.2	Do. pref.	145	72¼	72	72	72
16	15	.80	5	Tamblyn, c.	225	16	16	15¼	16
3¼	2	.	...	Thayers	25	2¼	3¼	3¼	3¼
29	27	2	...	Do. pref.	5	28	27	27	27
11	8¼	.30	3.2	Tip Top Tailors	20	9¾	9¼	9¼	9¼
112	110	7	6.4	Do. pref.	70	111	111	110	110
30	24	1	...	Tor Elevators c	20	28	24	24	24

Range 1944 High	Low	Div. Rate $	Yield %	Company	Sales	Last May 29	Week Ending June 5 High	Low	Close
1.46	.80	*.02	....	Lake Dufault	29,420	1.23	1.39	1.21	1.30
.05	.01½	....	....	Do. Rights	9,700	.01½	.05	.01½	.02½
17.75	14.12	.80	4.8	Lake Shore	1,435	16.00	16.75	16.00	16.75
6.55	5.75	*.17	....	Lamaque G.	680	6.00	6.00	5.90	5.90
.15	.06½	....	....	Lapa Cad.	9,000	.12½	.12½	.11½	.12
1.27	1.03	.08	7.3	Leitch Gold	7,950	1.13	1.13	1.07	1.10
1.24	.90	†.04	....	Little L.L.	5,300	1.00	1.01	.98	1.00
3.95	3.40	.20	....	Macassa	1,904	3.50	3.60	3.50	3.55
2.55	2.10	†.05	....	MacLeod C.	4,003	2.19	2.20	2.15	2.20

Mining Stocks

Oil Stocks

Range 1944 High	Low	Div. Rate	Yield %	Company	Sales	Last May 29	High	Low	Close
.04½	.02	.....	....	Pacalta	24,000	.03½	.03½	.03	.03½
1.07	.68	.....	....	Pac. Oil R.	9,900	.88	.83	.75	.78
.56	.40	.....	....	Pac. Pete.	7,500	.49	.50	.50	.50
.06½	.03	.....	....	Royal Can.	5,000	.03½	.03	.03	.03
21.50	19.50	1.00	5	Royalite	272	20.00	20.00	20.00	20.00
.05	.03	.....	....	South End	2,500	.03½	.03½	.03	.03
1.25	.90	.....	....	Texas Can.	40	1.25	1.00	1.00	1.00
.13	.12	.....	....	Trans. Alta.	2,000	.12	.13	.13	.13
.07	.04½	.....	....	United Oils	1,015	.04½	.05½	.05	.05½
.07½	.05	.....	....	Vanalta	600	.05½	.05½	.05½	.05½
.19	.08½	.....	....	Vermilata	33,500	.09	.09	.08½	.08½
.24	.17	.....	....	Vulcan	300	.17	.17	.17	.17

* Yield including bonus to date. † Paid in 1943. * Paid or payable in 1944

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
June 6	21,300	17,000	674,000	......
June 5	19,800	15,900	400,000	12,769
June 3	10,800	8,200	252,000	32,105
June 2	23,400	29,800	679,000	18,875
June 1	44,800	21,000	643,000	26,400
May 31	25,200	13,000	586,000	7,367

STOCKS NOT TRADED THIS WEEK

Supplementary Stock Quotations
(Furnished by Plaxton, McDonnell & Co., Toronto)
June 6, 1944

Investment Trusts

Corporation Bonds
(Supplied by Investment Dealers' Association of Canada)
June 6, 1944

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.94	$11.85	$12.02
Hogs	17.20	17.20	16.75
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.9	103.8	104.0
Dow Jones (fut.)	95.26	95.22	92.15
Fishers	112.9	113.0	112.3
Monthly Indices			
Canada (D.B.S.):			
Retail (May)	119.2	119.1	118.1
W'sale (Apr.)	102.9	103.0	99.0
U. S. (Feb.)	103.6	103.3	102.5
Gr. Brit. (Feb.)	164.6	164.0	162.2

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York, No. 7 coffee, Rio. Sugar—96 degrees centrifugal c/f New York.

* Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues—	Rate	Year	Due	Price
Dom. Woollens	6%	1953	July 1	100
York Knit.	4%	1945	Aug. 1	101
Do.,	4½%	1952	Aug. 1	102
M'rison Brass	▲7½%	1947	July 1	100
Can. Nat. Rly.	5%	1969	July 1	105
Inter. C. Bak.	▲5½%	1948	July 1	101¼
Paton Mfg.	‡4½%	1956	Sept. 1	103
Ham. By Prod.	*.5%	1955	June 30	•
Dom. Tar & C.	3½%	1944	Aug. 1	101
Do.,	4½%	1951	Aug. 1	102
Un. Amuse. A	†5%	1956	Aug. 1	103
Gt. Lakes Pwr.	▲5%	1957	Aug. 5	*

▲ $52,000. ‡ $8,500. * $68,500. †$44,300. ▲ $50,000. • 102,822. * 103.89.

Corporation Bonds Cont'd

	Int. Rate %	Due	Bid June 6	Ask.	Bid May 30
Maple L. M.	5¼	'58	102	104¼	102
Man. Sugar	5	'60	105	107	105
Massey-Harris	4¼	'54	102¼	104¼	102¼
McColl-Fron.	4¼	'49	103	105¼	103
McCormicks	4	'52	101	103	101
Do.	4¼	'52	101¾	103¼	101¼
Mercury Mills	5	'59	98	101	98
Mersey Paper	5	'57	99¼	102¼	99¼
†Do.	6	'49	99¼	102¼	99¼
*M. & O. Paper	5	'60	109	111	109

Government Bonds
(Supplied by Investment Dealers' Assoc. of Canada)

June 6, 1944

%	Due	Bid	Ask.
1¼	Sept. 1944	100	100¼
4¼	Oct. 1944	101	101¾
2¼	Nov. 1944	100¼	101¼
2	Mar. 1945	100¼	101¼
2	Dec. 1946	100⅜	101¼
4¼	Feb. 1946	104⅜	105¼
2¼	Mar. 1948	101	101⅜
1¾	May 1946	100¼	100⅜
*2¼	Jan. 1948	101¾	103¼
3¼	June 1949	102⅜	103¼
3¼	Oct. 1949	100⅜	101¼
3	June 1951	103⅜	104¼
3¼	Nov. 1951	104	105
4	Oct. 1952	106¼	107¼
3¼	Feb. 1952	104⅜	105¼
3	Oct. 1952	102¼	103
*3	Jan. 1953	103¼	104¼
3	Mar. 1954	102⅜	103⅜
3	June 1955	101	101⅜
3	Nov. 1956	101¼	101⅜
4¼	Nov. 1956	105⅜	106⅜
4¼	Nov. 1957	107¼	108¼
*3	Jan. 1958	104⅜	105⅜
3	June 1958	99⅜	100⅜
4¼	Nov. 1958	109	110¼
4¼	Nov. 1959	109⅜	110¼
*4	Oct. 1960	109¼	110¼
*3¼	Jan. 1961	105¼	106¼
3¼	June 1966	102	103¼
*3	Jan. 1967	103	104
*3	Nov. 1968	103	104
3	Perpetual	96¼	97¼
4th Victory Loan:			
1¾	Nov. 1946	100¼	100⅜
3	May 1954-57	100¼	100⅜
5th Victory Loan:			
1¾	May 1947	99⅜	100¼
3	Jan. 1956-59	99⅜	100¼
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
2¼	Jan. 1946	100⅜	101⅜
3	Dec. 1950	101¼	102¼
3	Jan. 1959	99¼	100¼
4¼	Sept. 1951	124¼	126¼
4¼	Feb. 1958	127¼	129
4¼	July 1957	128¼	130
3	Feb. 1953	101⅜	102¼
4⅜	June 1955	130	131¼
5	Feb. 1954	117¼	118⅜
5	July 1969	115⅜	116¼
5	Oct. 1969	129	130¼
5	Feb. 1970	129	130¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	131	132¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962	110¼	112
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	112¼	115
3	Oct. 1951	98¼	100¼
3¼	Aug. 1949	99¼	101¼
3¼	June 1956	100⅜	102⅜
4¼	Apr. 1961	121¼	123¼
5	Jan. 1960	125⅜	127⅜
Nova Scotia:			
3	Jan. 1952	99¼	101¼
3¼	June 1956	100⅜	102⅜
3¼	Nov. 1950	103¼	105¼
4¼	Sept. 1952	116¼	118⅜
4¼	Nov. 1960	125⅜	128¼
5	Mar. 1960	130	133
Ontario:			
2¼	May 1945	100¼	101⅜
3	Apr. 1948	101	102¼
3	Nov. 1950	101	102¼
3¼	Nov. 1951	102¼	104
3¼	May 1955	102	103¼
4	June 1962	122⅜	125¼
4¼	June 1950	109¼	111
4¼	Jan. 1962	129	131¼
5	Oct. 1948	110	111¼
5	Dec. 1960	135	137¼
5¼	July 1946	107	108¼
Ont. Hydro Commission:			
3	Aug. 1948	101	102¼
3¼	Feb. 1953	101¼	103
3¼	Apr. 1947	103¼	105
Prince Edward Island:			
4	Mar. 1954	101¼	103¼
Quebec:			
3	Nov. 1947	100¼	102
3¼	Mar. 1948	101¼	102⅜
3¼	Mar. 1959	101¼	103
4	Nov. 1952	103¼	105
3⅜	Feb. 1952	103¼	104¼
4¼	Aug. 1958	108⅜	111¼
4¼	Jan. 1963	113⅜	116¼
Alberta:			
4¼	Oct. 1958	90¼	93¼
4	Dec. 1954	87	90
5	Oct. 1959	92¼	95¼
5¼	Apr. 1952	92¼	95¼
6	Apr. 1947	87¼	90¼
British Columbia:			
4	Dec. 1957	117⅜	120¼
4¼	Jan. 1951	118⅜	120¼
4¼	Oct. 1953	120⅜	123¼
5	Apr. 1954	124¼	126¼
5¼	Feb. 1945	101¼	103
6	Feb. 1947	107¼	109
Manitoba			
4	Dec. 1957	111	113
4¼	Dec. 1958	115⅜	118
5	Dec. 1969	122⅜	125
5¼	Oct. 1955	115⅜	118
6	Apr. 1947	106	108
Saskatchewan:			
4	Sept. 1954	92⅜	93
4	Nov. 1960	91⅜	94
4¼	Oct. 1951	107	109
4¼	Mar. 1960	99	101
5	Aug. 1958	96⅜	101
5¼	Oct. 1952	100⅜	103
6	Mar. 1952	102¼	105

*Payable N.Y.

Unlisted Stocks
(Furnished by A. J. Pattison Jr. & Co., Toronto)

June 6, 1944

	Bid	Ask.
Andian National	23¼	25
Anglo-C. Tel., A	8⅜	9⅜
Atlas Steels, c.	26	27¼
Do., pref.	108¼	..
B. C. Sugar	75	78
B. C. Tel., p.	112¼	..
Burns & Co., A	12¼	14
Do., B	8⅜	9¼
Can. Indust., A	148	..
Can. Mach.	7	9
Can. Mot. L.A.B.	8¼	9
Cap. W. Cloth, p.	18	21
Chase, A. W., p.	20	..
Col. Realty	3⅜	..
Colonial Steam.	70	73
Detroit Int. Br.	11¼	..
Dover Indust.	8¼	9
Dunlop T., p. $25	26	27
Edm. Stk. Yards	50	..
Galt Brass, c.	15	..
Goderich Elev.	12¼	14
Guard. Realty, p.	20¼	22¼
Gurney Fdy., p.	1⅜	2¼
Hart. Battery	6	..
Hayes Steel, c.	12⅜	13⅜
High. Dairy, pf.	57	..
Ingram & Bell, p.	96	..
Kingst. Ship., c.	12	15
Loblaw Inc., c.	10⅜	12¼
Minn. & Ont., c.	10	11
M'row Screw, p.	100	..
Do., com.	16¼	..
Moirs, pfd.	76	..
Morrison Br., un.	11	13
Neilson, Wm., c.	14	..
Do., p.	102	..
N. Meth. Ldy. un.	83	..
Quinte Milk	4	..
Prov. Paper, p.	104	..
Rosedale Golf	100	..
Stand. Fuel, pfd.	84	..
Do., com.	2	..
Seiberling R., c.	3⅜	..
Stedman, pf. $50	58¼	..
Sutton H.	⅜	1¼
Tor. Carpet, p.	70	..
Un. Hotels, nts.	4	6
U. Stk. Y. Sask. p	90	..
Un. Steel, A, pf.	24	25¼
Viceroy Mfg., pf.	20	25¼
West. Grain, pfd.	29	31¼
Y. Downs Golf	200	..
Trust & Loan Stocks:		
British Mtge.	130	..
Brockville Tr.	48	..
Capital Trust	35	..
Comm. Fin., c.	7¼	8¼
Crown Trust	61	..
Eastern Trust	150	..
Guelph & O. $50	51	..
Indust. Mtge.	27¼	..
Lambton Loan	40	45
Lond. & W. Trust	42	..
Midland Loan	14	17
Montreal Tr.	60	..
N. S. Trust	145	..
Premier Trust	40¼	..
Prudential Tr.	3	5
Royal Trust	70	..
Sherbrooke Tr.	125	..
Sterling Trust	58	..
Trusts & Guar.	42	..
Victoria Trust	75	80
Waterloo Trust	100	105
Insurance Stocks:		
Brit. Amer.	52	..
Canadian Fire	77	83
Canada Life	405	430
Confed. 30% pd.	130	138
Continental L.	32	33
Crown Life	270	..
D. of C. Gen.	142	..
Dom. Life	175	..
Empire, 25% pd.	12¼	..
Excelsior 40% pd.	83	..
Great-West Life	255	265
Guar. N. Amer.	210	..
Halifax Fire	15¼	17
Imperial Life	260	275
Manufac. Life	256	262
Monarch 20% pd.	38¼	..
Maritime Life	25	..
National Life	16	..
Sov. L. 25% pd.	22	26
Sun Life	310	325
Tor. General	4¼	5¼
Western Assce.	50	..
Do., pref.	42¼	45
Investment Trust Shares:		
Deb. & Sec., pf.	90	..
Tr. Can. Inv. Tr.	2¼	3¼
Theatre Stocks:		
Allen's St. Cath. units	55	..
Do., Kingston	64	68
Do., Toronto, p.	39	..
Para. Oshawa, p.	82	..
Power Issues:		
Can. W. Nat. Gas	35	..
Do., pfd.	104	..
Gt. Lakes Pr., p.	115	..
Mtl. Is. Pwr., p.	42¼	..
N. B. Telephone	12¼	14
Nor. Ont. Pwr. p.	72¼	..

Unlisted Mines
Toronto, June 6, 1944

	Bid	Ask.
Cen Mani	.06	.08
Classic S	.31	.35
Clift Con	.06	.08
Cock R L	.04	.05
Columbier	.27	.31
Con Chib	.12	.15
Crowshore	.03	.04
Dack Ck	.13¼	.15
Deri R L	.08	.10
De Santis (new)	.17	.22
Dom Mal	.10	.11
Dom Nick	.05	.07
Laguerre	.17	.20
Lk Geneva	.05	..
Lar-Add	.07	.08
Largold	.05	.07
Larder U	.05¼	.07
Lavalie	.26	.29
Legardo	.06	.08
Magn Con	.29	.31
Major Oil	.59	.63
Marbenor	.18	.21
Marquette	.05¼	.06¼
Mar Bird	.06¼	.07¼
Mar-McNe	.08	.10
Norbenite	.22	.25
Norseman	.20	.23
Northland	.13¼	.15
Novell P	.14¼	..
Obalski	.10	.12
Obaska	.70	.80
Oklend	.07	.08
Olivet	.23	.25
O'L Mal	.16¼	.18
Opemiska	.07	.10
Orpit	.12	.14
Pascalis	.35	.38
Tobico	.06	.08
Tombill	.15	.18
Tovarich	.05¼	.06¼
Un Mining	.10	.12
Univer Pe	.25	.30
Wasa Lk	.70	.73
Wesley	.03¼	.04¼
West R L	.04	.05
West Shor	.12	.13
Winchest	.25	.28
Yellowrex	.59	.61
Y Davids	.30	.34

Wheat Prices

Winnipeg Grain Futures
Week of June 5, 1944

Crop year from Aug. 1, 1943 High	Low		High for week	Low for week	Close June 5
Oats*					
.51⅛	.51½	May	.51⅛	.51⅛	.51⅛
Barley*					
.64¾	.64¾	May	.64¾	.64¾	.64¾
Rye					
1.35	.92⅛	May	1.17⅛	1.15⅛	1.15⅛
1.34¼	1.05⅝	July	1.16⅝	1.05⅝	1.05⅝
1.30⅞	1.04⅜	Oct.	1.13⅞	1.04⅜	1.05⅞

*At ceiling.

Cash Quotations
For Week

	June 5, 1944 High	Low	Prev. Week High	Low
Oats*:				
2 C. W.	.51⅛	.51⅛	.51⅛	.51⅛
3 C. W.	.51⅛	.51⅛	.51⅛	.51⅛
Barley*:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	1.16½	1.06	1.13⅛	1.11⅝

*At ceiling prices.

Oil Royalties
Producing Wells — Prices and Payments

	Apr. daily quota bbls.§	May daily quota bbls.§	Jan. pay. 1% $	Feb. pay. 1% $	Mar. pay. 1% $	Total to Mar. 31 1% $	Offering price‡ per 1% $
Ace No. 1 gross	300	300	136.30	143.09	145.63	425.02	5,000
Alta. Oil Inc. No. 1, gr.	50	50	22.80	22.40	....	*45.20	....
Do., No. 1 net	50	50	15.20	16.80	....	*32.00	....
Do., No. 2 gr.	260	260	117.60	110.40	120.40	348.40	....
Do., No. 2 net	260	260	82.00	74.40	80.40	236.80	2,600
Allied No. 1 pfd.	70	70	38.49	53.99	42.97	135.45	1,100
Arrow No. 1 net	80	80	26.00	35.00	33.00	94.00	1,300
Atlas No. 1 net pfd.	60	60	36.40	21.60	22.40	80.40	1,000
Atlas-Br. D. No. 2 net	350	350	127.20	112.80	99.60	339.60	4,100
Atlas-Br. D. No. 3 pd.	220	220	125.20	125.20	....	*250.40	3,900
East Crest No. 5	100	100	47.20	48.40	48.80	144.40	1,600
Empire pfd.■	...	...	....	....	....	....	1,100
Independent No. 1 pfd.	180	180	94.56	67.48	62.06	224.10	2,100
Do., No. 1 gr.	180	180	90.25	70.91	71.15	232.31	2,600
Major Oil No. 1 pfd.	50	50	....	....	20.00	....	1,000
Do., No. 1 gr.	50	50	....	26.40	13.60	40.00	....
Do., No. 2 net	210	210	68.40	59.20	68.40	196.00	2,200
Do., No. 2 gr.	210	210	102.40	83.60	95.60	281.00	....
Do., No. 3 net	340	340	120.80	98.00	108.40	327.20	3,800
Do., No. 3 gr.	340	340	158.20	132.80	145.20	436.80	....
Do., No. 4 pfd.	45	45	....	....	44.40	....	1,200
Do., No. 4 gr.	45	45	19.20	20.00	22.40	61.60	....
Do., No. 6 pfd.	300	300	....	....	....	....	1,100
Do., No. 6 gr.	300	300	160.00	110.40	116.40	386.80	....
Do., No. 7 pfd.	300	300	176.00	162.80	156.40	495.20	3,800
Do., No. 7 gr.	300	300	151.20	138.40	136.00	425.60	5,000
Do., No. 7 dfd.	300	300	....	....	....	....	3,500
Do., No. 8 pfd.	165	165	90.00	66.80	72.80	229.60	2,300
Do., No. 8 gr.	165	165	77.20	58.40	61.20	196.80	....
Do., No. 8 dfd.	165	165	....	....	....	....	1,300
Do., No. 9 gr.	230	230	112.00	98.00	91.38	301.38	3,800
Do., No. 9 pfd.	230	230	121.20	80.80	115.60	317.60	3,600
Do., No. 9 dfd.	230	230	....	....	....	....	1,300
Maryland, pfd.	100	100	....	....	....	....	800
Miracle No. 1 net	270	270	94.43	94.19	111.87	300.49	3,400
Do., No. 1 gr.	270	270	131.57	105.84	132.40	369.81	3,900
Do., No. 2 pfd.	100	100	53.39	38.55	95.13	187.07	1,600
Do., No. 2 gr.	100	100	47.15	33.51	56.40	137.06	....
Miracle No. 3 pfd.	200	200	....	....	....	....	2,500
Do., No. 3 gr.	200	200	106.64	133.64	114.71	354.99	4,500
National Vulcan	50	50	....	....	....	....	2,300
Northend Pete No. 1 pfd.	...	250	....	....	....	....	1,300
Do., No. 1 gr.	...	250	....	....	130.80	....	3,800
Twin City No. 2 gr.	150	150	73.25	72.96	172.66	318.87	....

‡Approximately 25% over dealers' bid price. §Approximate. *To Feb. 29.
■ Ontario Acreage Royalty.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 14	Banks 8	Total utilities 18	Total co's. 95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	150.0	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1944: Monthly Figures:												
Jan.	108.7	111.2	94.6	75.0	119.7	89.8	142.3	86.1	94.8	78.7	99.4	81.8
Feb.	108.7	114.8	96.1	74.0	122.4	93.1	141.4	86.5	97.3	79.1	102.7	82.0
Mar.	108.9	116.9	97.6	72.2	121.5	93.8	152.8	88.4	95.1	79.3	100.4	81.5
Apr.	106.6	109.0	96.5	70.0	118.3	93.0	149.3	87.3	92.0	78.4	97.0	79.3
1944: Weekly Figures:												
May 4	106.3	107.0	95.6	69.8	115.5	93.0	152.2	85.2	89.3	77.9	96.0	78.3
May 11	106.4	111.6	96.3	70.5	119.3	92.5	150.2	85.9	91.1	78.2	97.9	79.8
May 18	106.5	110.9	96.1	70.8	119.2	93.3	151.3	86.8	90.8	78.1	96.8	79.8
May 25	106.7	114.4	97.8	70.3	119.7	92.2	152.6	87.0	91.1	77.9	96.9	79.8
June 1	108.9	117.4	96.0	70.7	120.4	93.0	154.4	88.2	93.5	78.1	100.1	81.1

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 6	120.64	102.11	70.55	27.69
June 5	120.21	100.72	70.52	27.72
June 3	120.46	100.78	70.71	27.77
June 2	120.32	100.69	70.48	27.83
June 1	120.18	100.82	70.49	27.93
May 31	119.69	100.54	70.49	27.90
Month ago	118.42	101.45	69.43	28.58
Year ago	118.85	84.37	75.26	25.29
High 1944	120.64	106.48	70.71	29.61
Low 1944	116.63	99.54	67.37	26.39

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Cbd.	10 Pprs.	15 Golds
June 6	53.2	79.1	70.4	137.44	76.03
June 5	53.4	78.9	70.4	136.53	74.86
June 3	53.3	79.0	70.3	136.90	74.87
June 2	53.3	79.0	70.4	136.54	74.84
June 1	53.5	78.5	70.2	139.73	74.65
May 31	52.9	77.7	69.5	137.27	74.54
Month ago	52.4	76.3	68.3	138.14	75.01
Year ago	61.4	78.1	72.5	104.37	62.11
High 1944	55.9	79.1	70.8	142.29	79.90
Low 1944	51.9	73.8	67.5	116.68	72.28

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surp. pfd.	1.75	July 3	May 31
Algoma Steel, pfd.	2.50	July 1	June 1
Aluminum of C., p.	1.25	Aug. 1	July 5
Amal. Electric	.30	July 3	June 1
Assoc. Brew.	.25	June 30	May 31
Amer. Cyan. A B	†.15	July 1	June 10
Do., pref	†.12½	July 1	June 10
Anglo Huronian	.10	July 21	June 21
Asbestos Corp.	.20	June 30	June 1
Acme Glove, pfd.	3.25	July 3	June 14
Bright, T. G., pfd.	1.50	June 15	May 31
Bk. of N. Scotia	2.50	July 3	June 15
Beatty Bros., A	.50	July 3	June 15
Do., B	.25	July 3	June 15
Do., 2nd. pref.	3.50	July 3	June 15
Belding Cort.	1	July 3	May 31
Do., pref	1.75	July 3	May 31
Bralorne Mines	.20+.10	July 15	June 20
Brazilian Tr., ord	1	June 15	Apr. 27
Brazilian Tr., pfd.	1.50	July 3	June 15
Bruck S. Mills	•.10	June 15	May 15
Building Products	.15	July 3	June 5
Brit. Amer. Oil	.25	July 3	June 6
Barber Ellis	.12½	June 15	May 31
Bell Telephone	2	July 15	June 23
B. C. Power, A	.40	July 15	June 30
Burlington Steel	.15	July 3	June 9
Beath & Son	.80	July 15	June 30
Buff. Ankerite	.05	July 5	June 21
Canada Bread	.10	July 1	June 10
Do., pref.	1.50	July 1	June 10
Do. (B) pref.	.62½	July 1	June 10
Canada Cement, pfd.	1.25	June 20	May 25
Can. Machinery	.50	June 28	June 1
Canada Cycle	.15	June 30	June 15
Do., pref.	1.25	June 30	June 15
Celanese of Am., c.	‡	June 30	June 16
Do., $4.75 pfd.	•1.18¾	July 1	June 16
Do., 2nd pf.	†1.75	July 1	June 16
Can. Cr. Stone	.10	June 20	June 1
Can. Canners	.12½	July 3	June 15
Do., 1st pf.	.25+.05	July 3	June 15
Do., 2nd pf.	.15+.05	July 3	June 15
Can. Gen. Elec.	2	July 1	June 15
Chart. Trust	1	July 1	June 15
Cassidy's pfd.	1.75	July 1	June 1
Can. Breweries, p.	.85	July 1	May 15
Confederation Life	1.50	June 30	June 25
Do.	1.50	Sept. 30	Sept. 25
Do.	1.50	Dec. 30	Dec. 25
Can. Car & Fdry., pf.	.53	July 11	June 21
Canada Steams. pf.	1.25	July 3	June 7
Can. Cottons	1.50	July 3	June 9
Do., pref.	1.50	July 3	June 9
Candn Fire	2	July 3	June 20
Can. Indemnity	4	July 3	June 20
Can. Inger. Rand.	.50	June 27	June 13
Can. W. Nat. Gas	1	June 1	May 29
Do., pref.	1.50	June 1	May 15
Can. Found. & F A	.37½	June 15	June 1
Canada Wire & C. (A)	1	June 15	May 31
Do., (B)	.25	June 15	May 31
Do., pref.	1.62½	June 15	May 31
Can. Nor. Power	.15	July 25	June 20
Do., pref.	1.75	July 15	June 20
Can. Celanese	.25+.25	June 30	June 15
Do., pref.	1.75	June 30	June 15
Canada Malting	.50	June 15	May 15
Can. For. Invest.	•.50	July 1	June 1
Can. Wire Box, A	.37½	July 3	June 10
Cockshutt Plow	.25	Dec. 1	Nov. 2
Can. Food Prod.	.62½	July 1	May 31
Can. Malartic G.	.02	June 28	June 3
Carnation, pfd.	1	July 1	June 17
Command Oils	.03	June 12	May 15
Coniaurum M.	.04	June 28	June 10
Chat.-Gai Wines	.25	June 12	June 6
Comm. Alcohol	.05	July 15	June 30
Do., pref.	.10	July 15	June 30
Crown Trust	1	June 15	June 10
Can. Packers	1	July 3	June 1
Can. Perm. Mtge.	2	July 3	June 15
Consumers Gas	2	July 3	June 15
Can. West'house	•.50	July 1	June 15
Candn Oil, pfd.	2	July 1	June 19
Central Can. Loan	2	July 3	June 19
Central Pat. Gold	.03	June 30	June 7
Cons. Bakeries	.20	July 1	June 10
Cons. Press	•.15+.25	July 1	June 15
Detroit C. Tunnel	.50	June 20	June 1
David & Frere A	.25	June 30	June 15
Detroit Int. Bridge	†.25	June 12	May 12
Distillers-Seag.	.55½	June 15	June 1
Do., pref.	†1.25	Aug. 1	July 15
Dom. Dairies, pfd.	•.44	July 15	June 30
Dom. Glass	1.25	July 15	June 27
Do., pref.	1.75	July 15	June 27
Dom. Textile	1.25	July 3	June 5
Do., pref.	1.75	July 15	June 15
Dome Mines	•.40	July 29	June 30
Dominion Stores	.10	June 20	May 25
Dom. Foundries	.35	July 3	June 10
Dom. Envelope, c.	.10	Dec. 1	Nov. 30
Dunlop Tire pfd.	.62½	June 30	June 15
Easy Washing	.25	July 3	June 15
Do., pref.	.17½	July 3	June 15
Eng. Electric, A	.25	June 15	May 31
East. Steel pf.	.25	July 1	June 12
Fanny Farmer	†.37½	July 1	June 10
Falconbridge N.	•.07½	June 28	June 8
Famous Players	.37½	June 30	June 15
Ford Motor A, B	.25	June 17	May 27
Federal Fire	1.50	Aug. 15	Aug. 11
Foundation Co.	.35	July 21	June 30
Fraser Cos.	•.25	July 25	June 30
Gt. Lakes P. A B p.	.25	July 3	June 3
Gt. West Sadd. p.	.75	June 30	May 30
Do., 2nd pf.	.75	June 30	May 30
Gatineau Pr.	.20	June 30	June 1
Do., 5% pfd.	1.25	July 1	June 1
Do., 5½% pfd.	1.38	July 1	June 1
General Prod., pfd.	2.50	July 3	June 16
Greening Wire	.15	July 3	June 1
Hinde & Dauch	.25	July 3	June 5
Huron & E. Mtge	1	July 1	June 15
Do., 20% paid	.20	July 1	June 15
Holt Renfrew, pfd.	3.50	July 3	June 15
Do., arrears	1.75	July 3	June 15
Hudson Bay M.	1	June 26	May 26
Hollinger Cons.	.10	June 30	June 3
Home Oil	•.15	June 15	May 10
Hunts, A. B	.30	July 3	June 1
Imperial Tob., ord.	.10	June 30	May 16
Inter. Metal "A"	.30	July 3	June 10
Do., pfd. A pfd.	1.50	Aug. 1	July 10
Inter. Nickel, c.	†.40	June 30	May 31
Inter. Nickel, pfd.	†1.75	Aug. 1	July 3
Invest. Found., pfd.	.75	July 15	June 15
Do.	.75	Oct. 16	Sept. 15
Inter. Bronze	.20	July 15	June 15
Do., pref.	.37½	July 15	June 15
Inter. C. Baking	.75	June 30	June 15
Ind. Accept., pf.	1.25	June 30	May 31
Inter. Power, pfd.	1.75	July 3	June 10
Jam. Pub. Ser.	.17	July 3	May 31
Do., pref.	1.75	July 1	May 31
Kerr Addison	.05	June 29	May 30
Lake Shore Mines	.20	June 15	May 15
Landed Banking	1.00	July 3	June 15
Levy Bros.	.10	July 1	June 19
Lindsay, C. W. pfd.	2	June 28	May 26
Lang, J. A.	.17½	July 3	June 10
Louisiana Land	†.10	June 15	June 1
Macassa M.	.05	June 15	May 13
McK. Red Lake	.02½	June 17	May 31
Mitchell, Robt.	1	June 15	May 15
Montreal Cottons	1	June 15	May 15
Do., pref.	1.75	June 15	May 15
Montreal Loan	.31¼	June 15	May 31
Mtl. L. H. Pr. nts.	1½%	July 1	May 31
Mac K. Str. Steel, pf	1.25	June 15	May 31
Melchers, Dist., pf	.30	June 30	May 31
Marcus Loews, pfd.	1.75	June 30	June 15
Maritime Tele.	.17½	July 15	June 20
Do., pref.	.17½	July 15	June 20
Moore Corp.	.55½	July 3	June 6
Murphy Paint	.20	July 1	June 10
Do., pref.	1.37½	July 1	June 10
Montreal Tele.	*.48	July 15	June 15
National Grocers	.50	July 1	June 8
Do., pref.	.37½	July 1	June 8
National Brew.	.50	July 3	June 7
Do., pref.	.44	July 3	June 7
Nat. Steel Car	.25	July 15	June 15
Niagara Wire	.25	July 3	June 8
North Star Oil, pf.	.08¾	July 3	June 10
N.S. Light Pr. ord.	1.25	July 3	June 15
Noranda Mines	1	June 15	May 12
Nat. Biscuit	†.30	July 15	June 9
Newmont Mining	.37½	June 15	May 29
Ogilvie Flour	.25	July 1	May 26
Opt. Steel Prod.	.25	Aug. 15	July 15
Do., pref.	1.75	Aug. 15	July 15
Ottawa Car	.20	Oct. 15	Sept. 15
Ottawa L. H.	.15	July 1	May 5
Do., pref.	1.25	July 1	May 5
Ottawa Elec. Rly.	.50	July 1	June 1
Ontario Loan	1.25	July 1	June 15
Page Hersey	1.25	July 1	June 15
Para. Pictures, c.	†.40	July 1	June 12
Project Engineers	.05	July 1	Apr. 30
Do., pref.	.30	July 1	Apr. 30
Paton Mfg.	1	June 15	May 31
Do., pref.	1.75	June 15	May 31
Pickle Crow	.05	June 30	May 31
Placer Dev.	.25	June 16	May 22
Power Corp., pfd.	1.50	July 15	June 20
Do., 2nd pref.	.75	July 15	June 20
Price Bros., pfd.	1.37½	July 1	May 31
Preston E. Dome	.05	July 15	June 15
Perron Gold	•.02	June 30	May 31
Premier Gold	.01	July 15	June 15
Proprietary Mines	.05	July 10	June 10
Real Estate Loan	1	July 1	June 15
R. S. Mills (A)	.50	July 3	June 15
Regent Knit pf.	.40	Sept. 1	Aug. 1
Do., pref.	.40	Dec. 1	Nov. 2
Reliance Grain, pf.	1.62½	June 15	May 31
Remington Rand	†.30	July 1	June 10
Do., pref.	†1.12½	July 1	June 10
Russell Indust., c.	.30	June 30	June 15
Russell Indust., pfd.	1.75	June 30	June 15
Sheep Creek Gold	.03	July 15	June 30
Stand Fuel, pfd.	1+2	July 1	June 15
Simpsons, pref.	1.62½	Aug. 1	June 30
Do., arrears	2	Aug. 1	June 30
Sullivan Cons.	.02	July 15	June 15
Sherwin-Wms., c.	.15	Aug. 1	July 10
Sherwin-Wms., pfd.	1.75	July 3	June 10
Sherritt Gordon	•.03	June 26	May 30
Sigma Mines	•.30	July 28	June 28
South. Can. Pwr.	.20	Aug. 15	July 20
Do., pref	1.50	July 15	June 20
Sylvanite Gold	.03	July 1	May 6
Stedman Bros.	.25	July 3	June 20
Do., pref.	.75	July 3	June 20
Second Stand. Roy.	.01	June 16	May 29
H. Simon	.15	June 30	June 3
Pref.	1.75	June 30	June 3
Howard Smith, pfd.	1.50	July 20	June 30
Sterling Trusts	1.50	July 3	June 20
Toronto Mortgage	1.25	July 1	June 15
Trans-Can. shs.	0.259	June 1	Coup. 22
Tamblyn, G.	.20	July 1	June 9
Do., pref.	.62½	July 1	June 9
Tor. Gen. Trusts	1	July 1	June 9
Tuckett Tob., pref.	1.75	July 15	June 30
Tip Top Tailors	.07½	July 1	June 1
Pref.	1.75	July 1	June 1
Twin City R. T.	†1.75	July 1	June 15
Un. Gold Equit.	•.04	June 30	June 15
Ventures	•.10	June 30	June 17
Viau, pref.	1.25	July 1	June 20
West. Can. Hydro, B	.05	June 1	May 20
Do., pref.	0.20	June 1	May 20

TENDERS WANTED

For Artificial Ice Plant installed complete, Sudbury Curling Rink. Tenders to close 1:00 p.m., June 15th. The lowest or any tender not necessarily accepted.

Apply: W. N. Smith, 79 Front Street, Sudbury, Ontario.

DIVIDEND NOTICES

Western Grocers Limited

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the Preference Shares, 1¾% ($1.75) for the current quarter;

On the Common Shares, 75c per share;

payable July 15th, 1944, to shareholders of record June 15th, 1944.

By order of the Board.

W. P. Riley, President.

THE STERLING TRUSTS CORPORATION

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 1½% for the current half year ending June 30, 1944, has been declared on the paid up capital stock of the Corporation, and will be payable on July 3rd, 1944, to shareholders of record at the close of business on June 20, 1944.

By order of the Board.

E. R. MEREDITH, Secretary.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of June, 1944.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of June, 1944.

The above Dividends will be paid on Saturday, the 15th day of July, 1944, to shareholders of record at the close of business Tuesday, the 27th day of June, 1944.

By Order of the Board.

MERVYN OFFER, Secretary.

Montreal, 25th May, 1944.

SIMPSONS, LIMITED

PREFERENCE DIVIDENDS NOS. 58-59

NOTICE is hereby given that a Dividend of One dollar and sixty-two and one-half cents ($1.62½) per share on the Outstanding Paid-up Six and one-half per cent (6½%) Cumulative Preference Shares of the Company and a Special Dividend of Two dollars ($2.00) per share on such shares, have been declared payable August 1, 1944 to shareholders of record as at the close of business on June 30, 1944. The transfer books will not be closed.

By Order of the Board.

Frank Hay, Secretary

Toronto, June 2, 1944

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the Current Quarter, and that the same will be payable on and after

1st July, 1944,

to shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,

WALTER GILLESPIE, Manager.

1st June, 1944.

Sheep Creek Gold Mines Limited

(Non-Personal Liability)

Notice of Dividend No. 33

Notice is hereby given that a Quarterly Dividend of three cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of July, 1944, to shareholders of record at the close of business on the 30th day of June, 1944.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 30th June next.

By Order of the Board.

JAMES ANDERSON, Secretary.

Vancouver, B.C., June 1st, 1944.

Dividends Declared (Cont'd)

Wabasso Cotton	1	July 1	June 17
Waite Amulet	.20	June 10	May 10
Walker-Good.	1	June 15	May 12
Do., pref.	.25	June 15	May 12
Wellington Fire	1.75	Aug. 15	Aug. 11
Western Grocers	.75	July 15	June 15
Do., pref.	1.75	July 15	June 15
Weston, Geo., c.	.20	July 1	June 5
Wilsils	.25	July 1	June 1
Winnipeg Elec., p.	•2.50	June 30	May 15
Do.	•2.50	Dec. 30	Nov. 15
Wr.-Hargreaves	.06¼	July 1	May 25

•Subject to approval of Foreign Exchange Control Board.
†N. Y. funds. ‡A common stock divd. of 1 sh. per 70 shs. held. Future payts. to be in stock. •Initial.
*Net after corporate income tax.

Real Estate Bonds

A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101

Coarse Grain Prospects

Better Crop Forecasts May Remove Need for Drastic Controls

From Our Own Correspondent

WINNIPEG. — Until the recent rains in western Canada, a highly complicated situation, with respect to oats and barley was developing, such as might presage the taking over by the Canadian Wheat Board of all trading in these grains. Now the situation seems clearer because of hopes of a good crop in western Canada, while prospective large crops of feed in eastern Canada and in the United States are easing the demand.

Heavy demand for western feed grains, coupled with short supply, seemed to be putting the Canadian Wheat Board in an embarrassing position. The short supply was partly due to the difficulty of providing railway cars. Then it began to look as if on top of that, the supply in country elevators might dry up because farmers were showing little anxiety to make further sales of oats and barley.

If there was danger of a short crop in 1944, and up until last week, there were many fears in that respect, farmers who had livestock would want to make sure of carrying forward enough feed for needs in the new year. Other farmers in order to equalize income taxes between 1944 and 1945 were understood to be holding back in the belief that it might pay them to delay marketing.

Now it is believed that farmers may market their grain freely during the next two months.

The demand for feed grains came both from eastern Canada and the United States where grains command higher prices than in Canada under ceiling prices, and it is only by the exercise of Government authority that sufficient supplies can be assured to take care of needs in eastern Canada. Formerly the Feeds Administrator looked to the Canadian Wheat Board to apply pressure, through its control of grain cars, to see that feed grains should be shipped East.

Recently however, the Wheat Board abandoned direct control of such shipments. It is believed that the Canadian authorities can afford to be less insistent upon immediate shipments to eastern Canada. Even although crops are good in the East, it is expected that some considerable quantities of feed grain will be required, but the actual demand is not likely to develop until later. At the same time the improving supply situation in western Canada tends to relieve anxiety.

DIVIDEND NOTICES

Canada Steamship Lines Limited

A dividend of One dollar twenty-five cents ($1.25) per share on the preference shares of the Company for the six-month period ending June 30, 1944, was declared payable July 3, 1944, to shareholders of record June 7, 1944.

Dated at Montreal this 5th day of June, 1944.

R. BROCK THOMSON, Secretary.

Dominion Dairies Limited

Notice of Preferred Stock Dividend

A dividend of 44 cents per share has been declared on the 5% non-cumulative preferred stock $35 par of Dominion Dairies Limited, for the quarter ending June 30th, 1944, payable July 15, 1944, to shareholders of record at the close of business June 30, 1944.

By Order of the Board,

J. A. SMITH, Secretary.

Montreal, P.Q., May 30, 1944.

FRASER COMPANIES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-five cents per share has been declared on the Common Stock of the Company for the quarter ending June 30th, payable on the 25th day of July, 1944, to shareholders of record at the close of business on the 30th day of June, 1944.

By order of the Board,

G. G. GILLIES, Secretary.

Edmundston, N.B., June 2nd, 1944.

The B. Greening Wire Company Limited

Common Dividend No. 27

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company, Limited, held in the office of the Company on May 29th, 1944, a dividend of Fifteen cents per share on the Common Shares of the Company was declared payable July 3rd, 1944, to shareholders of record June 1st, 1944.

F. J. MAW, Secretary.

Hamilton, Ont., May 31st, 1944.

The Sherwin-Williams Co. of Canada, Limited

Notice is hereby given that the one hundred and thirty-second quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum for the quarter ending May 31, 1944, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 10th day of June, 1944, and that cheques will be mailed July 3, 1944.

Books not closed.

By Order of the Board,

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Que. March 30, 1944.

National Steel Car Corporation Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of twenty-five cents (25c) per share has been declared for the quarter ending June 30th, 1944, payable on July 15th, 1944, to shareholders of record at the close of business June 15th, 1944.

By order of the Board.

CHAS. W. ADAM, Secretary.

The Ontario Loan & Debenture Company

228th DIVIDEND

Notice is hereby given that a Quarterly Dividend of $1.25 per share for the current quarter ending 30th June, 1944, has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 1st July, 1944, to Shareholders of record at the close of business on the 15th June, 1944.

By Order of the Board.

T. H. MAIN, Manager.

London, Ontario, 30th May, 1944.

Company Reports

Dominion Textile

Years ended March 31:	1944	1943
Earned per share:		
Pref. excl. ref. E.P.T.	$84.48	$84.35
Pref. incl. ref. E.P.T.	84.48	129.70
Com. excl. ref. E.P.T.	5.57	5.56
Com. incl. ref. E.P.T.	5.57	8.82
Paid: Pref.	7.00	7.00
Common	5.00	5.00
Working capital	14,398,388	13,806,741

(1943 year figures bracketed below.)

Dominion Textile Co. reports for fiscal year ended March 31, 1944, operating profit of $2,544,583 ($8,930,376), after deducting $1,000,000 for depreciation provision ($2,200,000). After adding investment revenue of $543,570 ($562,910), deducting bond interest of $140,146 ($142,896), bond premium and discount at $13,505 ($13,505), and tax provision at $1,295,000 ($7,700,000), net income was $1,639,502 ($1,636,885). Tax provision in 1943 year included deduction of $880,000 for refundable tax.

Improvement of $591,647 in working capital was achieved despite expenditures of $388,573 on land, buildings and machinery (after giving effect to purchase of the property and assets of the Sherbrooke Housing Co., a wholly owned subsidiary). The provision of $880,000 for refundable tax for 1943 has been reduced in latest balance sheet to $815,000.

President Gordon, after referring to possible postwar reciprocal trade agreements, says that the wide diversity of equipment in the company's mills, to serve varied needs of the Canadian market, would be a handicap rather than an advantage if the company were forced to adopt mass production methods in order to compete on more even terms in the domestic market and foreign markets with cotton mills in other countries specializing in the fabrication on a large scale of certain types of goods.

Silverwood Dairies

Years ended March 31:	1944	1943
Earned per share:		
Pref. excl. ref.	$1.02	$1.07
Pref. incl. ref.	1.46	1.33
Common excl. ref.	0.38	0.48
Common, incl. ref.	0.66	0.66
Paid:		
Preferred	0.40	0.40
Common	0.40	0.40
Working capital	$808,492	$809,073

(Previous year figures bracketed below.)

Sales of Silverwood Dairies during the year ended March 31, 1944, reached a new high of over $11.8 millions, a gain of $1.4 millions over 1942. Higher expenses dropped taxable income from 4.2% of sales to 4%, and after total taxes of $301,000 ($265,000), net profits amounted to $122,428 ($139,335). Of the taxes, $53,000 ($33,000) was the refundable portion.

Current assets and liabilities showed little change. Redemption of an additional $100,000 4½% first mortgage bonds reduced the amount outstanding to $1.2 millions. Also outstanding are $1,450,000 sinking fund debentures. Reserve for depreciation of capital assets rose to $3,036,116 ($2,987,903). Another 10,000 preferred shares were redeemed, reducing the number outstanding to 120,000.

During the year the management trust, which represents 67 branch managers and key employees, took up 16,902 of the 23,402 shares under option to them, bringing common shares outstanding to 193,500.

Goderich Elevators

Years ended March 31:	1944	1943
Earned per share:		
Exclud. ref. E.P.T.	$0.94	$0.83
Incl. ref. E.P.T.	1.03	0.87
Paid	0.75	0.75
Working capital	$320,734	$278,594

(Previous year figures bracketed below.)

Grain receipts of Goderich Elevator and Transit Co. for the navigable season of 1943 totalled 17,172,236 bushels (13,988,261). Net profits for the fiscal year ended March 31, 1944, amounted to $78,714 ($69,811) after all deductions, including taxes of $95,000 ($75,000) of which $8,000 ($3,700) was the refundable portion.

Current assets, which totalled $388,364 ($354,305), showed increases in cash surrender value of life insurance and in cash and accrued charges. Elimination of the $24,030 bank overdraft and smaller accounts payable offset higher reserve for estimated taxes to reduce current liabilities to $67,630 ($75,711). Surplus at year's end stood at $209,057 ($185,347).

Can. Machinery

Years Ended Jan. 31:	1944	1943
Earned per com. share:		
Exclud. refund. EPT	$1.55	$3.54
Includ. refund.	2.10	4.54
Paid	1.00	1.00
Working capital	$468,703	$324,697

(Previous year figures bracketed below.)

After all charges, net profits of Canada Machinery Corp. for the year ended Jan. 31, 1944, amounted to $40,421 ($92,151), or to $54,921 ($118,369) if refundable excess profits taxes are included. Total taxes were $104,000 ($243,636), depreciation $150,769 ($135,156).

During the year the businesses of Sandilands Valve and Synthetic Resins were operated as divisions, not subsidiaries. As it was found successful operation of Synthetic Resins would require a large capital investment, "steps are being taken to realize on the assets involved."

Unfilled orders on the books are reported substantial.

During the year $30,000 4% serial bonds maturing Nov. 1, 1943, were retired, leaving outstanding $60,000 later maturities, $200,000 5% sinking fund bonds maturing 1954, and $300,000 6% convertible notes maturing Nov. 1, 1955. At year's end earned surplus stood at $301,848 ($437,002).

DIVIDEND NOTICES

Consolidated Bakeries of Canada Limited

NOTICE IS HEREBY GIVEN that a dividend of twenty cents (20c) per share on the outstanding shares in the capital stock of Consolidated Bakeries of Canada Limited, has been declared payable on the 1st day of July, 1944, to shareholders of record at the close of business on the 10th day of June, 1944.

By Order of the Board.

H. O. NEALE, Secretary.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 64

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending June 30th, 1944, payable by cheque dated July 15th, 1944, to shareholders as of record at the close of business on June 30th, 1944. Such cheques will be mailed on July 14th, 1944, by the Montreal Trust Company from Vancouver.

By Order of the Board,

J. A. BRICE, Secretary.

Vancouver, B.C. June 2nd, 1944.

Proprietary Mines Limited

DIVIDEND NO. 17

NOTICE is hereby given that a Dividend of Five cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on July 10, 1944, to shareholders of record at the close of business on June 10, 1944.

By Order of the Board.

J. INGRAM, Secretary-Treasurer.

Toronto, Ont., May 26th, 1944.

Sullivan Consolidated Mines, Limited

Dividend No. 20

Notice is hereby given that a dividend of two cents per share on the issued capital stock of the company has been declared, payable July 15th, 1944, to shareholders of record at the close of business June 15th, 1944.

By order of the Board,

A. ARCHAMBAULT, Secretary-Treasurer.

Montreal, Que. June 2nd, 1944.

Canada Permanent Mortgage Corporation

Notice is hereby given that a Dividend of TWO PER CENT on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable.

MONDAY, THE THIRD DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June, 1944.

By order of the Board,

Walter F. Watkins, Secretary.

TORONTO, May 23rd, 1944.

Central Patricia Gold Mines Limited

(No Personal Liability)

80 Richmond Street West Toronto, Canada.

DIVIDEND NO. 32

A dividend of 3c per share has been declared by the Directors on the capital stock of the company, payable the 30th day of June, 1944, to Shareholders of record the 7th day of June, 1944.

Dated at Toronto this 3rd day of June, 1944.

By Order of the Board,

ALAN COCKERAM, Secretary.

The Murphy Paint Company Limited

The following quarterly dividends have been declared by the Board of Directors payable on 1st July, 1944, to shareholders of record at the close of business on 10th June, 1944.

Preferred Stock—1⅜% (being at the rate of 5½% per annum).

Common Stock — Twenty cents (0.20) per share on the No Par Value shares.

P. L. TOD, Secretary.

Montreal, 25th May, 1944.

Unbiased Opinion on Bonds, Industrials, Oils, Mines

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THE COCA-COLA COMPANY OF CANADA, LIMITED

591

Many Finance Deals in 1944

Over 100 Agreements Released in Less Than Six Months

By GORDON M. GRANT

Eloquent testimonial of the extent to which the public has been participating in the financing of new mining projects this year is provided by the periodical releases of the Ontario Securities Commission covering options and underwritings.

Four years ago, when France had just fallen, financing of new mining projects was almost entirely suspended. Practically no new projects were undertaken for months.

But so far in 1944 the situation has been quite the reverse. No less than 114 underwriting and/or options agreements have been released by the OSC since Jan. 1; over half the agreements cover new companies incorporated within the last six months.

"Nickel Stock" Popular

Of the 114 financing agreements signed, 69 or over 50% have called for the taking down of initial blocks of stock to net the treasury 5 cents a share with options usually provided for further blocks of stock at prices graded upward.

One financing agreement called for the taking down of stock as low as 2 cents a share while two other agreements permitted stock to be sold to net the treasury 3 cents a share. While by far the bulk of financing agreements called for the taking down of initial blocks of treasury shares at 5 cents a share, 17 agreements called for sale of initial blocks of stock at 10 cents a share. Seven agreements called for initial blocks to be sold at 15 cents a share while under three agreements stock was to be paid at 50 cents a share.

Giant Agreement "Clicked"

Most famous of the financing agreements is probably that of Giant Yellowknife Gold Mines. This agreement, announced in March, 1944, before work commenced on the property, called for Frobisher Exploration Co. to purchase 100,000 shares at 10 cents a share, granted it an option on a further 1,115,000 shares at 10 to 30 cents a share.

This agreement which has provided the Ventures-controlled Frobisher Exploration Co. with an indicated "paper profit" of approximately $7 millions, has unquestionably served to whet the public's interest not only in Yellowknife projects but in new undertakings in other parts of Canada.

Obaska & Wasa Lake

Other agreements which have been particularly in the limelight due to developments on the properties concerned are Obaska Lake Mines and Wasa Lake Gold Mines.

On the Obaska Lake, first shares were to be taken down at 10 cents a share with options provided on further shares at up to close to the dollar mark. Wasa Lake Gold Mines' first shares were sold at 10 cents and options were provided on further shares at up to 75 cents a share. A substantial sum of money has been placed in the Wasa treasury under this option agreement.

Spreads Don't Check Interest

Wider spreads between the price at which shares have sometimes been taken down from the treasury and the prices at which they have been sold to the public have apparently been little or no deterrent to the public in buying into new projects. The fact that "spreads" are wider than a few years ago has often been ignored, it seems.

Ventures appears to have been the most active of the big mining companies in the hunt for new mines. That the public has been contributing the substantial sums for development of new properties cannot be questioned. Many new issues in the Rouyn and Porcupine districts have been oversubscribed. The fact that practically every diamond drill is in operation in Canada provides its own testimony as to this situation.

Boom May Be Stepping Up

Far from letting up, the boom in gold mining prospects appears to be accelerating if anything. It now exceeds anything experienced early in the war with respect to a boom in strategic minerals — when a shortage was being felt in that category.

A possibility now is that entry of some of the mining finance companies into the exploration field on a larger scale may step up the boom still further. Many companies such as Anglo-Huronian, Mining Corporation, Castle-Trethewy, Coniagas, Howey, have the resources to carry out more ambitious programs. Base metal producers, Noranda and Consolidated Smelters have hardly been carrying out as large exploration programs as usual due to the labor shortage. They appear likely to re-enter the mine-making field on a larger scale as soon as a break in the manpower situation makes itself felt.

Mining finance companies and producers alike have strong treasury positions. It appears that there is no shortage of funds for work on a larger scale.

One of the factors reinforcing the present boom, oddly enough, has been the prohibition on carying out underground development. While it might be thought that this prohibition would dampen enthusiasm for new gold mines, in reality it has meant that more money has been available, in the aggregate, for early stage development of mining properties.

If the present diamond drilling boom keeps up and if work continues to turn up new mines—it is quite conceivable that a postwar boom of a somewhat similar character is in the making. It will be a boom in financing of shaft and underground development programs, and in financing of new mills.

But just now it is early stage mining that is holding the attention.

Diamond drilling has unquestionably been the focus of interest recently but "grass roots prospecting" appears likely to enjoy a marked revival this year. Most of the well-located open ground is getting pretty well staked, or restaked and work will have to be carried farther afield.

Put 46 Parties in Field For Mineral Research

Forty-six parties are being placed in the field by the Mines and Geology Branch of the Dominion Department of Mines and Resources, Ottawa, to carry out geological and topographical work, it is announced.

Chief attention this year is to be paid to petroleum, base metals, and strategic minerals.

Of the 46 parties, 32 will be engaged in geological mapping and investigations and 14 in topographical mapping. Four of the geological parties will operate in the Northwest Territories, seven in British Columbia, six in Alberta, one in Saskatchewan, two in Manitoba, two in Ontario, four in Quebec, two in New Brunswick, and two in Nova Scotia. In addition one party will examine the area adjacent to the Canol pipeline road in Yukon and the Northwest Territories, and another will collect minerals in Ontario and Quebec to replenish the supply used in preparing mineral sets for prospectors.

Three of the topographical parties will operate in the Yukon and in an adjoining part of northern British Columbia, three in the Northwest Territories, three in Alberta, one in Manitoba, one in New Brunswick, two in Nova Scotia, and one in Prince Edward Island.

Canol Road Interests

The Canol pipeline road crosses several potential mineral-bearing zones and at the Camp Canol end are possibilities of oil structures. Geological work is to be done along this road. A. C. Tuttle, R. J. Parlee and A. M. Floyd, will head parties working on Yukon maps, chiefly in the Dezadeash Lake and Whitehorse sectors.

Northwest Territories work will include studies of ground east of Great Bear Lake, mapping at Ross Lake, 30 miles east of Yellowknife, geological reconnaissance west of Great Slave Lake, and topographical work (for seeking oil) in the Mackenzie River Basin.

In British Columbia, the Takla (Pinchi Lake), Manson, McConnell Creek, Peace and Liard Rivers, Princeton and Nanaimo-Comox areas will be investigated while recently discovered mineral deposits will also be investigated.

All work in Alberta will be in areas of the foothills thought favorable for oil structures. Ground along the CNR, and in the Entrance, Brazeau, Pedley, Callum Creek, Fall Creek and the Wapiti River areas will come in for attention. The Eston area of Saskatchewan, west of Rosetown, will be investigated.

In Manitoba, mapping will be done in the Flin Flon and Herb Lake areas and some work will be done in the Snow Lake area. T. L. Tanton will continue his work in the Steep Rock Lake area, Ont., while J. F. Caley will complete geological mapping of oil and gas areas in southwestern Ontario.

Maps Bourlamaque Further

Further mapping is to be done in the Bourlamaque and Dubuisson twps., Que., near the east end of the Noranda-Cadillac mineral belt. J. W. Ambrose will continue similar work in Beauchastel and Dasserat twps., near the west end of the same mineral belt. Mapping will be done in the Weedon copper area, Eastern twps., and in a small area near Rouyn.

In New Brunswick, A. H. Miller will endeavor to trace buried structures that may contain oil and gas in the Moncton area. Mapping will be done in other sectors.

Southern Cape Breton and the Pugwash area, N.S., will be mapped. Other work commenced in 1943 will be continued.

Metal marketing contracts with the United Kingdom Ministry of Supply are stated to have been renewed—those for lead and zinc for another year and for copper, to the end of 1944. Contracts are terminable with cessation of hostilities.

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.

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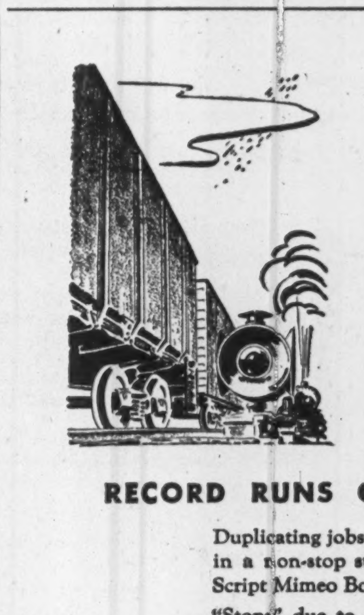

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Script MIMEO BOND
A PROVINCIAL PAPER

Urge New Plan For Stadacona

Reorganization Committee Advances Share-For-Share Plan

Claiming to speak for over 2,000 shareholders holding an aggregate of more than a million shares of the company's stock, the Reorganization Committee of Stadacona Rouyn Mines (in liquidation) has submitted an offer to Georges Duclos, liquidator, which, it is stated, would permit termination of receivership.

A copy of the committee's offer to the liquidator states, in part, as follows:

"The undersigned committee will purchase from you, in your quality of liquidator, and subject to the fulfillment of all required formalities, all the assets of the company in liquidation of whatever they may consist. Payment will be made as follows:

"1. All costs of liquidation in cash.

"2. All liabilities of the company in cash.

"3. All shareholders who will have proven their claim in the estate, as well as those who have been declared entitled to rank as as such by the court, will receive one share of stock of a company now being organized, to which all the assets above referred to will be transferred at cost, for each share held by them respectively.

Would Provide Other Funds

"We may further say that should any additional money be required apart from what you already have in hand, to pay liabilities, or to satisfy other incidental obligations that may arise, we are in a position to supply such funds, without any other obligation from the company taking over than to reimburse in a period of two years, or such other terms as the directors of the company may arrive at, with interest at 6% per annum.

"No shares, except seven applicants' shares, have been issued out of the authorized five million share capitalization of this company.

"We may add that over 2,000 shareholders, representing over a million shares, have expressed their approval of this transaction."

Mining Concentrates

Mohawk Porcupine Gold Mines announces completion of a contract for 5,000 ft. of diamond drilling on its property in Whitney twp., Ont. Drilling is to be under the direction of E. K. Fockler, consulting geologist. First holes will be drilled on an anomaly shown by a Hans Lundberg survey a few years ago. Property adjoins Bonetal on the northwest and Porcupine Reef on the north and east.

* * *

Coin Lake Gold Mines plans bulk sampling of ore showings uncovered recently on its optioned Dupont Hodgson claims in the Red Lake area, President W. M. Cochenour informed shareholders at the annual meeting. Visible gold is stated to have been disclosed in 19 of 30 trenches put down on this group to date and bulk sampling is reported the best way to secure an idea of average grade. Exploration is also projected for the two other groups of claims in the Red Lake area and for the company's Lightning River ground. Drilling will also be done at Lightning River.

* * *

Ritz Larder is stated to have completed sufficient work to permit diamond drilling to be undertaken. Grab samples on three separate zones are stated to have given assays of $8.75, $57.40 and $13.30.

* * *

Norbenite Malartic Mines has indicated a wide shear zone in recent drilling from which it is thought surface float boulders may have come. Eighteen holes so far have been drilled and the drill has now been moved 1,500 ft. to the west to drill No. 19 hole in a kind of depression from which the boulder material may have come. Boulders are stated to be six in number, running from 1½ to 2½ tons in weight and assaying up to an ounce gold per ton.

* * *

Earl Gold Mines reports drilling has started on the company's Hagen-Carlson group and that arrangements are being made for work on its Larder Lake properties.

* * *

Tobico Gold Mines is drilling its No. 18 hole near the north boundary of the property, President W. B. McPherson reports. Good structure is said to have been encountered in drilling to date.

* * *

Rayor d'Or Mines has now commenced diamond drilling on its property in Vauquelin twp., Quebec, east and north of Raymond Tiblemont. Holdings comprise two large blocks of ground totalling 51 claims originally staked by Consolidated Smelters in 1933. Officers and directors include R. Fred Porter, president; C. A. Gentles, vice-president; George Scott, secretary-treasurer; William Cochenour and Harry LeBlanc.

* * *

Tungold Mines has cemented its No. 56 hole which is now being continued across a fault area to intersect the mineralized zone.

* * *

New Bidlamaque Gold Mines is reported with $65,000 in its treasury for the program of diamond drilling now being commenced. Work is under the direction of H. S. Wilson, geologist for Lamaque Gold Mines, it is stated. Holes are projected along a strong shear zone partially explored by drilling 1936-37.

* * *

Eldona Gold Mines commenced its geological survey and a program of diamond drilling last week, H. M. Butterfield, consulting geologist, reports. First hole is sited to test a supposed shear zone branching off the Horne Creek fault. The combined geophysical magnetometer survey is to be carried out by Hans Lundberg.

* * *

Astoria Quebec Mines advises that payment has been received for June 5 installment consisting of option on 100,000 shares. Total of 800,000 shares remains under option.

* * *

Armistice Gold Mines has granted a 4-month extension on its June 1 and subsequent option installments.

* * *

Pioneer Gold Mines shareholders recently decided to protest to the Federal Government against a situation which it is claimed permits the Federal tax authorities to make additional tax assessments for previous years based upon new rulings. Final tax liability is stated to be always in doubt, subject to change through new departmental rulings. While Pioneer had no taxable profit the year ended March 31, 1944, $29,702 additional income taxes dating back more than four years had to be paid due to a recent ruling.

* * *

Mylamaque Mines is stated to have secured 96 ft. of mineralized core in the fourth hole of its present drilling campaign. The mineralized section was obtained from a depth of 180 to 276 ft. in the hole which was drilled on the north diorite contact which was considered favorable to ore deposition.

* * *

Norseman Mines reports cutting a quartz vein from 779.7 to 785 ft. depth in its No. 5 hole. The hole was stopped at a depth of 807 ft. and No. 6 hole has been located to explore the same contact area above the vein cut in No. 5.

* * *

Vanalta Ltd. reports net 1943 profit of $4,031, compared with $3,134 in 1942. Current assets, chiefly cash and government bonds, totalled $45,804 in 1943. Current liabilities were $1,816. Not included in current assets were royalties and shares in oil producing companies with book values as follows: (market values in brackets): Home Oil shares, $5,912 ($14,000); pooled oil production debentures of Drillers & Producers: $4,500 ($4,500); Franco Oils, shares: $5,250 ($5,200); Class "B" ordinary royalties, Major Oil Investments: $2,500 (nil); shares in Deep Oils Ltd.: $18,000 ($7,500); shares in mining companies $2,580 (nil). Shares outstanding were unchanged at 759,110.

Bourlamaque

A MAJOR GOLD CAMP

The Bourlamaque area of Northwestern Quebec gives concrete evidence of rapidly becoming the third greatest gold producing camp in Canada—and one of the principal ones of the world.

In a brief average life of less than nine years, seven mines have produced over $100,000,000 in gold, thus stamping the field as one characterized by gold deposition of major extent.

Carlton Securities, fully convinced of the great potentialities of the Bourlamaque Area, is playing a dominant role in providing a large part of the funds contributing to the present widespread exploration activities in that prolific sector.

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New World Markets for Canadian Nickel Made Plant Expansion Necessary

When the Canadian Nickel industry was faced with the loss of ninety per cent of its markets at the close of the first World War, the men who managed this industry set themselves resolutely to the task of finding new peacetime markets for Canadian Nickel.

By intensive research, new Nickel alloys were developed for specific uses. A corps of engineers was employed to demonstrate to peacetime industries throughout the world the superiority of Nickel alloys for scores of uses.

Step by step, new markets were built up. By 1926 the demand for Canadian Nickel had increased to such an extent that work was commenced on the construction of great new plants in Canada.

Between 1926 and 1930 the Canadian Nickel industry paid out fifty millions of dollars for Canadian labor and materials. Expansion has continued up to the present.

Today Canadian Nickel is again devoted to war purposes and again the industry looks to the future with confidence. Plans are ready to develop and expand old and new peacetime markets, so that the Nickel industry may continue, through its own initiative and enterprise, to make still greater contributions to Canada's welfare.

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED, 25 KING STREET WEST, TORONTO

Board Vetoes OSC on Donalda

Says Officials, Underwriter, Not Entitled to Share Release Now

Last week the Board of Review recommended to the Ontario Securities Commission that it reverse its ruling with respect to release of all the escrowed shares of Donalda Mines.

This release had been sought by the company, had been agreed to by the Ontario Securities Commission but the case had been appealed to the Board of Review by Chas. M. Rashall, a member of the firm underwriting Donalda shares, objecting to the release.

In handing down its decision the Board declared that it "is of the opinion that the unusual request of the company and its directors to release this escrowed stock should not be granted," recommends release of stock only to the individuals who are not directors, officials of the company or underwriters.

The Board found that the request of the company for release should not be granted to maintain the "salutary principle" that "directors are bound to act with the utmost good faith for the benefit of the company and that their powers must be exercised bona fide for the company's benefit."

While pointing out that the position of the company's consulting engineer, Stewart Troop, was somewhat different from that of the directors, the Board offered the opinion that "it is not in the best interests of the company that its engineer should be trading in the company's stock, when, as engineer, he may be in a position to affect materially its market price."

$106,250 for Million Shares

Chas. M. Rashall, of Chas. M. Rashall & Co., the underwriter, was reported to own 61,667 pooled vendor shares. In refusing release of his shares, the Board commented as follows:

"Chas. M. Rashall & Co., the firm of which Chas. M. Rashall is presumably the chief partner, has obtained and is entitled to large blocks of the company's stock under an underwriting agreement at prices of from 5c to 25c per share. Rashall is thus in a position to exercise considerable control over the market price of the stock. The effect of Rashall's agreement in the financing of the company is indicated by the fact that after the sale of one million shares of the treasury stock of the company only $106,250 has been turned in to the company's treasury. In view of the interest of Chas. M. Rashall in the stock of the company under his underwriting agreement and the fact that he has objected to the release of any of the escrowed stock, it is the opinion of the Board of Review that no escrowed stock should be released to Chas. M. Rashall at this time."

The Ontario Securities Commission, in originally acceding to the request of the company that all remaining pooled vendor shares be released, followed its policy of permitting release of one vendor share for each treasury share sold. The Board of Review recommended only a partial release which, it was stated, could be justified on the basis of this policy.

According to evidence submitted to the Board of Review, 172,500 vendor shares had been released prior to the company's application for release of all remaining pooled vendor shares which were reported at 850,000.

Of the 850,000 remaining escrowed shares, a letter from the Chartered Trust & Executor Co. to Salter, Stapells, Sewell & Reilly, solicitors for Chas. M. Rashall, showed directors holding 500,000 shares and Stewart Troop, the consulting engineer, as holding 100,000 vendor shares.

People Concerned

Parties to whom the 172,500 shares already released went are:

To Whom:	No. of Shares	Date
C. M. Rashall	20,000	Sept. 20/43
Jos. A. McDonald	20,000	Sept. 27/43
Jos. A. McDonald	15,000	Nov. 17/43
Jos. A. McDonald	10,000	Dec. 10/43
C. M. Rashall	5,833	Jan. 11/44
C. M. Rashall	11,667	Jan. 17/44
C. M. Rashall or J. A. McDonald	90,000	Feb. 3/44
Total	172,500	

Break-down of the individual ownership of the 850,000 vendor shares still pooled shows:

Shares Still in Escrow

Name:	April 27/44 No. of Shs.
Stewart Troop	100,000
Hector Authier	75,000
J. Gordon Baxter	20,000
E. Stuart McDougall	10,000
Hon. L. H. Gendron	5,000
Joseph Jean	5,000
Dr. Stephen Langevin	5,000
Dr. J. A. Archambault	2,500
Victor Dore	2,500
V. Garcia	2,500
J. H. Sherrard	2,500
Eddie Groulx	2,500
Col. T. W. McDowell	25,000
T. H. Higginson	20,000
Gregory Pulos	2,500
Tom & Barnt	10,000
J. A. McDonald	360,000
C. J. Hodgson & Co.	60,000
Carleton Street	20,000
Mrs. Ruth Streit	10,000
Draper, Dobie & Co.	43,333
W. R. Salter	5,000
Chas. M. Rashall	61,667
	850,000

Of these shares, those held by directors were:

Directors' Escrowed Shares

Name:	No. of Shs.
Hector Authier	75,000
J. Gordon Baxter	20,000
Col. T. W. McDowell	25,000
T. H. Higginson	20,000
J. A. McDonald	360,000
Total	500,000

As it was recommended that shares held by directors, the consulting engineer, and Chas. M. Rashall be not released, release of only 188,333 shares has been recommended. Holdings which may be affected are:

Name:	No. of Shs.
E. Stuart McDougall	10,000
Hon. L. H. Gendron	5,000
Joseph Jean	5,000
Dr. Stephen Langevin	5,000
Dr. J. A. Archambault	2,500
Victor Dore	2,500
V. Garcia	2,500
J. H. Sherrard	2,500
Eddie Groulx	2,500
Gregory Pulos	2,500
Tom & Barnt	10,000
C. J. Hodgson & Co.	60,000
Carleton Street	20,000
Mrs. Ruth Streit	10,000
Draper, Dobie & Co.	43,333
W. R. Salter	5,000
	188,333

Draper, Dobie & Co. thus secure a recommendation for release of 43,333 shares of escrowed stock to which they are entitled and which they have sought to have released.

Financing Considered

In making its decision on release of the shares, the Board of Review pointed out that release of a large block of escrowed stock ordinarily makes financing of a company more difficult and found that there was nothing to indicate that the present case would be any exception.

As far as directors were concerned, the Board found that granting of release of all their 500,000 shares "would implement a conflict between self-interest and fiduciary duty."

Recommending that parties other than directors, officers and the underwriter should have their escrowed stock freed, the Board pointed out that it was possible that they had purchased their shares in the expectation that the Ontario Securities Commission policy of release of one escrowed share for each treasury share would apply and that for this reason the Board was of the opinion that these parties should receive their shares.

Sylvanite Results Show Labor Shortage

With daily milling rate down to 408 tons daily in 1943 as against capacity of 600 tons, due to the labor shortage, Sylvanite Gold Mines showed a reduction in net profit to $617,756 equal to 18.7 cents a share in 1943 against $721,088 or 21.8 cents a share in 1942.

Before calculating net profit, a $125,000 charge was made for development it was found impossible to carry out due to the labor shortage and which must be completed later. No. 5 internal shaft has been continued 1,703 ft. below the 3,150-ft. level and is expected to permit necessary postwar expansion of development work and exploration of the lower levels.

Dividends received from Delnite Mines, approximately two thirds of whose stock is owned by Sylvanite, totalled $59,097 against $118,195 the previous year.

Madsen Profits Lower Working Capital Up

An increase of over $300,000 in working capital to $1,095,405 was shown by Madsen Red Lake Gold Mines in the year ended Feb. 29, 1944, despite a decline in operating profit from $599,000 to $533,906 after taxes but before depreciation and development write-off, and a reduction in net profit to $359,096 from $422,907. Taxes charged include $3,500 refundable for year ended Feb. 28, 1943.

Net profit was equal to 10.3 cents a share as against 12.1 cents the previous year (not including the refundable portion equal to .5 cents a share).

Ore reserves totalled 726,065 tons at Feb. 29, 1944, showing a reduction of 81,205 tons; grade remained unchanged at 0.201 oz. gold. Shaft sinking is now being carried out and is expected to require two years with a further two years needed to explore a new block of four new levels, President Joseph McDonough states.

Award Dr. Pidgeon McCharles Prize

For his work which resulted in Canada becoming self-sufficient in production of magnesium, Dr. Lloyd M. Pidgeon has been awarded the $1,000 McCharles prize by the University of Toronto Board of Governors, President H. J. Cody announces.

DR. PIDGEON

Head of the department of metallurgical engineering of the University of Toronto, Dr. Pidgeon developed a practical process for production of magnesium from Canadian dolomite. This process is now in use at Renfrew where sufficient magnesium is being turned out to more than meet Canadian needs.

The McCharles prize is awarded annually to any Canadian who aids the mining, light and power industry or scientific research in any useful practical line.

Delnite Profit Off As Output Lower

With production off over $400,000 at $819,672, Delnite Mines showed a reduction of over 50% in profits in 1943—$75,732 as against $186,030. Earnings were equal to 2.5 cents a share as compared with 6.2 cents for 1942.

Daily tonnage has had to be reduced to 300 tons daily against a normal 500 tons due to the labor shortage. Development has also had to be curtailed but it has been possible to continue the shaft from 1,750 to 2,250 ft. during the period. Drifting was 26% in ore. It is planned to continue shaft sinking to 2,500 ft.

Omega Mine Wins Safety Trophy

For the second successive year Omega Gold Mines has won the Ryan Trophy of the Canadian Institute of Mining & Metallurgy for the best safety record in Canadian nonmetalliferous mining.

The mine established a record of only one compensable accident last year. It now holds a record of more than 62,000 consecutive manshifts worked underground without an accident.

The Ryan trophy was awarded at the mine May 27 by Hon. Chas. Daley, Ontario Minister of Labor. A number of other prominent people, including Dr. Thomas Hogg, chairman, HEPC of Ontario, were present.

CPR'S Wartime Job

(Continued from page 22)

Chateau Frontenac was in the centre of the world's spotlight as the place where the military and other experts worked and as the temporary home of Foreign Secretary Anthony Eden and Secretary of State Cordell Hull, the British and American foreign policy experts who stayed there.

The record of company equipment shows that everything has been used to the fullest extent with conversion stretching the available supply. In such conversions a prime consideration has been utility, coupled with the company's high standard of service. Two dining cars, converted from buffet-parlor and compartment-observation cars were made to accommodate four more than the usual number of persons. For the convenience of troops travelling 12 commissary cars were built to provide meals with speed and efficiency. Another conversion from parlor cars saw 19 first-class passenger coaches added to the company's stock of these and the special silk cars, which used to flash through as special baggage cars from the Pacific Coast, are serving now as baggage cars on regular runs.

Bold experiments succeeded in helping take up the slack in manpower caused by heavy enlistments when women were employed by the company. Fields as predominantly masculine as engine wiping, station snow clearance and track work have been invaded by the fair sex as well as coach cleaning, yard checking and telegraph messengers' work.

The successful introduction of women into what had previously been strictly male preserves is typical of the way the company has made everything do more. It has had to in order to handle the business and to meet its grave responsibility in the war of supply.

In doing its job the company has provided transportation tailored to war needs. Passenger cars remodelled for the use of troops often have been used so continuously they have had to be cleaned while moving empty for the next load. Berths weren't always available and parlor cars have been withdrawn to give way to ordinary passenger coaches. These have been only some of the methods used to accomplish the main job of getting passengers from place to place. Similarly new methods have got the most out of freight cars.

New Equipment Installed

Other means of increasing traffic capacity have included lengthened passing tracks, signal installations, trackage changes which facilitate switching and engine house extensions.

A major signal installation was the project on the Schreiber division in which 250 miles of track were equipped with electric automatic block signals at a cost of more than $1,100,000. A similar installation now is going forward in the West over 112 miles of track in Saskatchewan and Alberta.

Through all this time of increased business—and it often was the case that heavy troop movements coincided with peak freight loads as upon the arrival of a convoy—special traffic of great importance has had to be worked into transportation schedules. Outstanding examples include President Roosevelt's vacation trip to northern Ontario from Washington and the heavy volume of travel in connection with the Quebec Conference in 1943.

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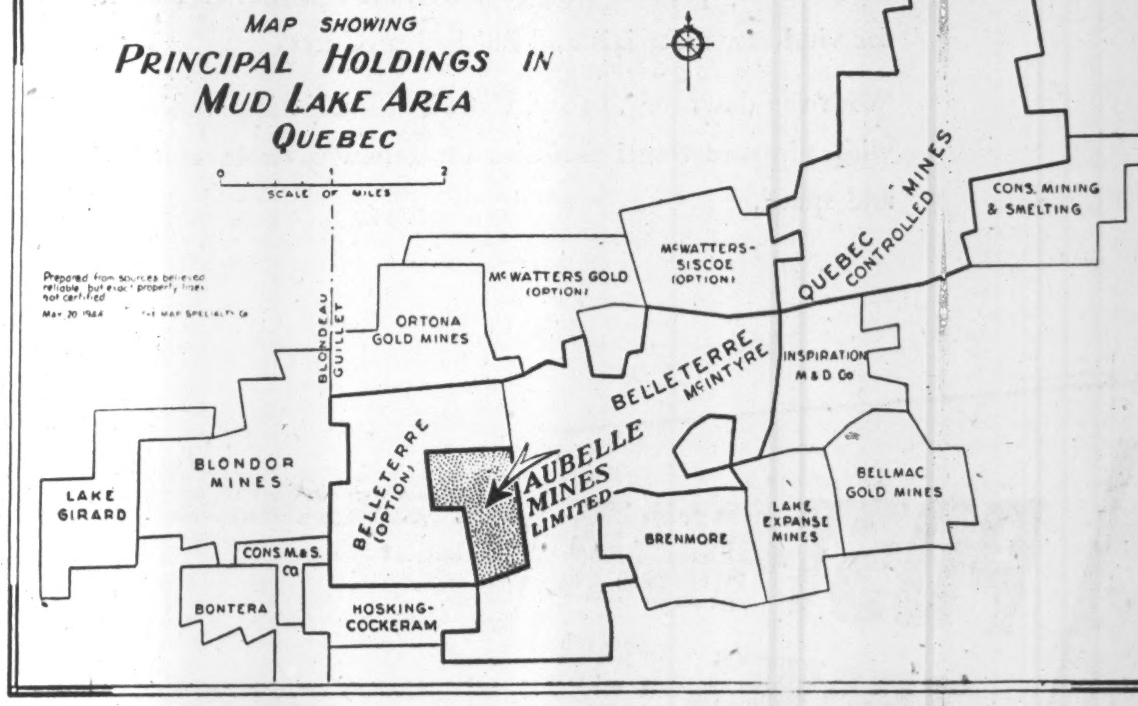

SUMMARY REPORT ON AUBELLE BY JAMES P. NORRIE, M.E.

"The property of Aubelle Mines Limited, consisting of Claims R-20377 to R-20386, inclusive, ten in number, is located in the Western part of Guillet Township, Quebec. The claims are surrounded by the property of Belleterre Quebec Mines Limited and lie directly on the Westerly strike of the important ore zone developed on that property. They are located close to the Belleterre townsite, which is provided with electric power and telephone connections. An excellent motor road from Latulipe to Belleterre traverses the Northern portion of the claims.

As the Aubelle claims lie directly on strike of the main Belleterre ore zones, in which one of the best gold veins in Canada is reported to be present, it is expected that some of the veins now known to exist on the Aubelle property, in which substantial gold values are reported, will, with further work, develop into orebodies of size and grade. One of these gold-bearing veins has a known length of 2,000 feet and width from one to five feet across claims R-20377 and R-20378. Its dip is 75 degrees to 80 degrees S.

The vein occurs in the form of irregular discontinuous lenses, localized in a band sheared dark tuff or greywacke and mineralized with disseminated pyrite. It is expected that a systematic exploration campaign will further increase in value and size several other veins exposed at various places on the property and that several new ones will be found.

Developments at the adjacent Belleterre Mines of McIntyre Porcupine Mines Limited, coupled with the vein exposures already partially developed on the Aubelle property, warrant a wide exploration campaign in the expectation that the known veins will develop into commercial orebodies, and that others of equal importance will be found."

The prerequisites of success in the business of gold-mine-making are threefold: 1. A gold-carrying medium, located in geological structure friendly to intensive gold concentration, with sufficient acreage to protect potential orebodies laterally and to depth. 2. Direction and management by men skilled in exploration, development, construction and production. 3. Assurance of funds sufficient to meet all requirements of the adopted exploration program. Aubelle Mines appears to qualify in all three respects.

FURTHER INFORMATION UPON REQUEST

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WAR is largely a problem of getting men and supplies to the right place—at the right time—and in sufficient numbers. Small wonder then that the war needs of the United Nations have made heavy demands on Canadian Pacific's world-wide transportation facilities!

Since the outbreak of war, Canadian Pacific has carried—on its rail lines alone—double the freight traffic and three times the passenger traffic of a comparable prewar period.

This has been done with restricted motive power and rolling stock...and with a personnel depleted by the enlistment of approximately 18,000 employees in the armed forces. At the same time, Canadian Pacific has continued to provide transportation for essential civilian travellers...and for vital raw materials and finished products.

With the dawn of Victory, Canadian Pacific is planning to provide you with pleasure travel facilities on a new scale of comfort, convenience and speed.

There will be new, improved locomotives and coaches...parlor cars...sleeping cars...diners; improvement of road-bed and track! Stations and hotels will be renovated...and a new fleet of ocean vessels will replace those lost on war service.

In carrying out these plans, Canadian Pacific—itself a product of free enterprise—will play a big part in providing direct and indirect employment and prosperity for independent, freedom-loving Canadians all across the Dominion.

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